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NEWS SUMMARY

GENERAL

Police arrest 194 in Poznan

POLICE arrested 194 people, many of them students, during demonstrations in Poznan, the Polish news agency PAP reported yesterday. The day marked two months of military rule in Poland.

PAP said groups gathered in the centre of the city and shouted "hostile slogans," ignoring police calls to disperse. The 194 arrested were "mostly high school and university students or persons who are neither employed nor studying anywhere."

PAP said 162 people were "punished by misdemeanour courts."

Poland endorsed

Soviet Prime Minister Nikolai Tikhonov, in an interview with the Japanese paper Asahi, endorsed the imposition of martial law in Poland and said the Soviet Union was giving extraordinary economic aid. Page 2

Times 'may shut'

Natsopa union official John Mitchell said the threatened Times Newspapers closure may have to go ahead in order to protect terms and conditions of other Fleet Street print workers. Page 6

Plea by Pope

The Pope, speaking in Kaduna on the third day of his visit to Nigeria, appealed for close co-operation between Christians and Moslems, but a row among Moslem sects prevented his meeting local Islamic leaders.

Mugabe action

Zimbabwe Prime Minister Robert Mugabe will take action this week against his junior coalition partner, the Zapu party of Joshua Nkomo, for alleged treachery. Page 2

Education plans

Labour has followed the Conservatives in putting forward proposals to remove control of education expenditure from local authorities. Back Page

Prior vow

Northern Ireland Secretary James Prior said there would be "no stone left unturned" in investigating allegations about homosexual activities at the Kincora boys' home. A private inquiry set up on Friday collapsed within hours when three of the panel of five resigned.

Rape legislation

Attorney General Sir Michael Havers said on ITV's Weekend World that the Government was willing to change legislation on cross-examining rape victims over previous sexual experiences if judges failed to use the existing law properly.

Weedkiller scare

Police mounted patrols in West Yorkshire to keep children away from a stream contaminated with paraquat weedkiller which escaped from drums after a blast at a depot in Morley.

Close run

Sri Lanka beat England by three runs in the second one-day cricket international in Colombo, following England's five-run victory on Saturday.

Chew on this

John Blakesley won a trip to Little Bay, New York by eating 100 yards of spaghetti in 91 seconds in a contest in London's West End. He was still far from the world record of 28.3 seconds.

BUSINESS

Lloyd's to look into Laker's own funds

● LLOYD'S, the London insurance market, indicated it would have to look into the financial standing of Sir Freddie Laker, one of its underwriting members, who has claimed he no longer has substantial personal funds. Back Page

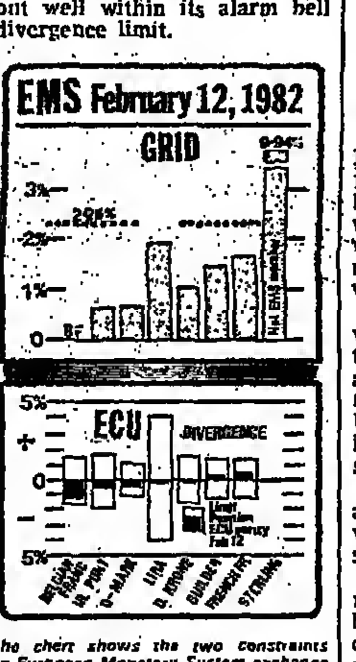
● CHINA plans to set up a joint venture in London with UK-based food company Chan Brothers to handle trade between the south-eastern Chinese province of Fujian and the EEC. Back Page

● SWEDEN plans to raise a record $650m (£353.3m) by public issue in the Eurobond market. Back Page

● A FALL in French interest rates failed to prevent the French franc from finishing as the strongest member of the European Monetary System last week.

Rumours of a cut in the Bank of Italy's discount rate, which has been held at 19 per cent for almost a year, did not seem to damage the lira either. The Italian currency improved on Friday, to finish almost level with the Danish krone, behind the French franc and Dutch guilder.

The Belgian franc showed little change, remaining the weakest member of the system, but well within its alarm bell divergence limit.



The chart shows the two constraints on European Monetary System exchange rates. The upper grid based on the weakest currency in the system defines the cross rates from which no currency (except the lira) may move more than 2¼ per cent. The lower chart gives each currency's divergence from the "central rate" against the European Currency Unit (ECU) itself a basket of European currencies.

● BANK LENDING in the UK is thought to be growing by about £20bn a year, an annual increase of over 30 per cent. Page 5

● LEYLAND VEHICLES' future could be decided today in talks aimed at settling a three-week strike by 12,000 workers. Page 5

● NISSAN executives are to meet the Industry Secretary this week to discuss their plans for a car plant in Britain. Page 5

● NEUE HEIMAT, the company owned by West German trade unions, dismissed its chairman and two board members after allegation they used the group to promote private business interests. Back Page

● AUSTRALIAN entrepreneur Robert Holmes à Court has told ACC he intends to match Heron Corporation's £46.6m offer for the group. Back Page

● PROSPECTUS for the sale of all the shares in Amersham International, the state-owned manufacturer of radioactive materials, is published today. Page 20

Prior told more jobs under threat at Belfast shipyard

BY ALAN WATSON, BELFAST CORRESPONDENT

MR JAMES PRIOR, the Northern Ireland Secretary, who has to decide this week whether the Government will help the De Lorean car company overcome a financial crisis, has been told by officials that 7,000 more jobs in Belfast are increasingly threatened by declining fortunes of Harland and Wolff shipyard.

The State-owned shipbuilding company is understood to have told the Government that it will be unable to contain its losses within figures it has already supplied to officials.

Vital new orders are looking much more difficult to find. The only order now on the horizon would apparently require an almost unprecedented level of subsidy.

This heightens the political sensitivity of a decision about preserving the remaining 1,500 De Lorean jobs in mainly Roman Catholic West Belfast.

The Government is aware that it faces criticism about the large amounts of public money used to prop up shipbuilding jobs in fiercely Protestant East Belfast.

The question now is whether it agrees to keep the yard open through further huge subsidies, or whether the money spent on propping up Harland and Wolff could be better spent on other forms of help for Northern Ireland.

Officials are now known to be worried about the shipyard's ability to survive in the short, rather than the long term.

Harland and Wolff has told them that financial targets in a corporate plan submitted to the Government last year are unattainable, and that it will continue to run a very large deficit.

Exchange rates continued to erode the company's projections, and the viciousness of the recession is rapidly blotting out hopes of winning sufficient orders for its own design of 170,000-tonne bulk-carriers.

Up to 1,000 redundancies among the 7,000 labour force are expected within months. Even if the shipyard won a much-hoped-for order from British Steel, a further application for subsidy now seems inevitable.

The Government might have to consider a substantial subsidy to enable the company to offer competitive terms to British Steel. Harland and Wolff is cautiously optimistic that its track record on other British Steel vessels will count for much.

Mr Prior is due to reveal the Government's attitude to De Lorean in the Commons tomorrow or Wednesday. He is studying a report on its prospects from Coopers Lybrand and taking advice from Sir Kenneth Cork, the City accountant.

De Lorean made 1,100 employees redundant on Friday because of cash-flow problems and the slump in U.S. markets.

The Government, if it is to find means of helping De Lorean over its very considerable crisis, is likely to spell out very stringent conditions to Mr John De Lorean, the chairman.

Ministers do not seem to have completely given up hope of a buyer for De Lorean. One company is believed to have made a very tentative approach about buying it.

But increasingly the assumption seems to be that a Receiver will have to be put in this week. The only real hope for the employees is that the company might be kept kicking over long enough to sell it as a going concern.

Swan Hunter order, Page 3

U.S. Ford pay freeze agreed by union leaders

BY IAN HARGREAVES IN NEW YORK

FORD MOTOR of the U.S. yesterday agreed terms with leaders of the United Auto-workers Union for a contract which will freeze pay for the rest of this year and cut workers' fringe benefits.

In return, Ford's American workers will share directly in the company's profits and enjoy a series of job protection measures possibly unique in U.S. industry and comparable in some respects to those of some Japanese companies.

The agreement, which came after two weeks of negotiations, was immediately hailed by both sides as historic.

"We have started down a road which will mean workers being treated in a humane and civilised manner during recessions," said Mr Douglas Fraser, president of the union. Mr Philip Caldwell, Ford chairman, who heard the news of the agreement in Hong Kong, said that the contract would be "the catalyst for restoring the company's competitiveness."

The main feature of the economic side of the deal is that Ford workers will give up their next three quarterly cost of living indexed payments under the existing pay contract due to expire in September.

For the remainder of the new contract, which runs to September 1984, there will be no lump sum annual increases, as there have been in previous contracts at the rate of 3 per cent a year.

In addition, Ford workers will give up 26 days of holiday or holiday pay over the life of the contract.

It is difficult to assess how valuable these savings will be to Ford, although a figure of about $1bn (£530m) for the 31 months of the contract has been unofficially estimated. The most far-reaching aspects of the agreement in terms of the broader U.S. labour scene are the concessions the union has won from Ford on the company's use of outside suppliers and job protection.

These agreements, if ratified, will be remarkable in an industry accustomed to laying men off at a moment's notice whenever demand falls.

The main concessions:

● For the next two years Ford will not close any plant in order to obtain parts elsewhere. In future management will give six months notice of any planned closure and it will review closures recently announced, such as the intended shutdown of an aluminium forging plant in Alabama.

● Ford will try to maintain its overall U.S. employment, now 105,000, and will set up a Japanese-style experiment at two plants where 80 per cent of the workforce will be guaranteed jobs for life.

● From January 1983, Ford workers will share any Ford profits in the U.S. excluding those from some non-motor operations. The formula used would start to deliver profit bonuses to workers when Ford is returning above 2.3 per cent on sales. Although Ford has made no profits for the last two years, the union says that between 1971 and 1978 this scheme would have given each worker an average payment of between $226 and $505 each per year.

● Workers with 15 years' service will be guaranteed a certain level of earnings, even if they are laid off, by modifications to the company's employment benefits scheme. It

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OFT to probe building society

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE Office of Fair Trading is poised to launch a probe into one of the leading building societies following increasing consumer complaints.

The investigation, under the 1980 Competition Act, enables the OFT to investigate any anti-competitive practice being carried out by a single company.

The OFT is particularly concerned at the lack of freedom in the borrower's choice of insurer, restrictions on the use of insurance brokers, and claims by building societies to the commission payable on insurance policies.

A short-list of the building societies about which there have been most complaints has been drawn up by the OFT, and a decision on which society to investigate will be taken shortly. The probe will be seen as a test-case for the other societies.

The OFT has, for several months, been concerned about the rising number of complaints received — often through MPs — about building societies' practices in several areas. Apart from insurance matters, they include the mortgage redemption and the accessibility of surveys.

In October Mr Gordon Borrie, the director general of fair trading, warned building societies that if justified complaints continued to be made, then he would take action.

The probe, when announced, is likely to take between six and nine months. The OFT will hope that this investigation will be sufficient to persuade the societies to change their operations. If this fails, then the matter is likely to be referred to the Monopolies and Mergers Commission for a further six-month study to determine the public interest issues involved.

The building societies have also been criticised recently by consumer groups such as the National Consumer Council. In a report, published last year, the NCC said: "The societies are not as full and frank as, in our view, they should be in the information they disclose to their consumers, whether they be investors or borrowers."

U.S. company in silicon chip advance

BY ALAN CANE

A U.S. electronics company seems to have taken a significant lead over its American competitors and the Japanese by cramming more devices onto a single silicon chip than has been achieved before.

Hewlett-Packard, whose products range from test equipment to computers and whose best-known products are hand-held calculators, claims to have fabricated 660,000 devices on a single quarter inch square of silicon material—equivalent to one and a half times the number of parts in a jumbo jet.

It claims to have achieved this development using conventional chip-making technology rather than the very sophisticated methods thought necessary for such advanced work.

The company is putting these chips into mass production as the foundation of a microcomputer more powerful than anything seen before.

It will process computer digits 32 at a time—the same as very large computers or the most advanced smaller computers.

The only other company to produce a similar set of microchips for a computer is the U.S. company Intel and these have not yet been used in a commercial product.

Microcomputer chips are made by photographing the complex circuitry required onto chips of silicon. Conventional production methods use ordinary light and make it possible to fit transistors on the chip only 120 millionths of an inch apart. It was thought that electron beams would be needed to get down to 40 millionths of an inch (one micron), but now Hewlett-Packard seems to have achieved this with ordinary light.

The company's feat, announced at an international solid-state conference in San Francisco at the weekend is significant for two reasons. First, the U.S. seems to have wrested back its lead in semiconductor technology from the Japanese. Second, with just six of its new chips, Hewlett-Packard will be able to build a computer as powerful as an orthodox small mainframe—the workhorse for most commercial companies. Computer hardware costs look like nose-diving again.

SDP conference backs all-member ballot for leader

BY PETER RIDDELL, POLITICAL EDITOR

MR ROY JENKINS still looks likely to become leader of the Social Democratic Party later this year, in spite of overwhelming support at the party's constitutional convention for election on a one-member-one-vote basis.

The convention, held in London over the weekend and attended by 300 representatives from local parties, decided in favour of giving the rank-and-file and local activists a greater direct say in the control and finance of the party.

A central theme of the day and a half of generally rational discussion was the determination of activists to avoid excessive centralisation and to lay down procedures requiring close consultation by the Parliamentary leadership.

SDP convention reports, Page 4
Men and Matters, Page 12

The option of electing the leader by the whole membership attracted 166 votes. This was against 73 votes favouring this system now, with a switch to election by MPs at a later date (after the next election or when the Parliamentary party is larger).

In contrast, the option of election by the MPs, favoured by most of the leadership, attracted only 63 votes.

The final decision on the choice of system will be taken by the 78,000 members in a postal ballot next month. Opinion polls suggest that rank-and-file members are less in favour of one-member-one-vote than the activists represented at the convention, but yesterday's vote could help to tip the balance in favour of this system.

The leadership election will not be held until the autumn. Election by all members rather than by MPs makes the contest more open and gives Mrs Shirley Williams a greater chance, if she decides to stand.

But surveys suggest that Mr Jenkins should still be the favourite, provided that he qualifies to stand by winning the Glasgow Hillhead by-election, probably in five or six weeks' time.

Mr Jenkins was almost treated as leader when he received a standing ovation after his winding-up speech. He attempted to state the SDP's distinctive approach in the face of increasingly sharp criticisms by other parties, notably on the controversial trade union issue.

The leadership decision will also crucially influence the outcome of a vigorous internal debate about the direction of the party, particularly about its relations with the Liberal Party.

Mr Jenkins is seen as favouring closer ties between the parties and stresses the advantages of a joint Alliance approach.

In contrast, Dr David Owen makes no secret of his fears of too close a merger and believes that the two parties should maintain separate identities, with the SDP as a radical rather than centrist party.

There is a general acceptance that Mr Jenkins is likely to emerge as overall leader of the Alliance. But Dr Owen has argued that this post should not be held by the leader of the SDP and he is believed to have urged Mrs Williams to stand.

Apart from the leadership question, the postal ballot will also ask members to decide whether there should be equal representation between men and women on the party's decision-making Council for Social Democracy.

This followed a tied 150 each vote on the question at the convention. The "positive discrimination" issue aroused the most passion during the discussions. The convention approved minimum representation for women on the party's national committe and on short-lists for Parliamentary candidacies.

The leadership accepted, and will not put out to ballot, a clear-cut decision in favour of giving local area parties 20 per cent of subscriptions revenues, previously intended to go to head office.

This was against the leadership's advice and despite a warning from Mr Ian Wrigglesworth, from the platform, that the move would take £150,000 from the national budget and might mean fewer services and fewer headquarters staff in the run-up to the election.

The decision will not, however, affect this year's finances since the constitution will not come into operation until the end of this year. There is likely to be pressure to raise subscriptions as a result of the vote, although this will be more difficult since the convention decided that such decisions should be taken by the 400-strong Council, rather than by the small national committee.

The leadership managed to take the heat out of the potentially contentious issue of policy-making. After some adept manoeuvring the platform ensured that MPs would retain most say over policies

Carrots above oil on Shell farm

By Ray Dafter, Energy Editor, in San Francisco

Down on a farm in California, Shell Oil has found a hedge against falling crude oil prices—carrots.

Shell Oil is big in carrots. Last season it produced 1bn of them—about 55,000 tons—to capture 4 per cent of the U.S. carrot market. It has also become a member of the unofficial group of carrot-exporting companies, shipping the vegetable to Scotland, among other places.

Now the company—the U.S. subsidiary of the Royal Dutch/Shell Group—is preparing for another bumper carrot crop. Shell Oil, which has built a reputation for its oil-production technology, has been busy developing its own carrot recovery equipment. Its Belridge Farms subsidiary has just spent $200,000 on a mechanised carrot cropper, which, according to Mr Bob Herrick, head of the farming enterprise, should replace ten trucks and ten picking crews.

Mr Herrick used to be general manager of the 20,000-acre ranch. But since the farm was acquired in 1979 by Shell as part of its record-breaking $3.65bn takeover of Belridge Oil, Mr Herrick has been given a title more in keeping with the big oil business. He is now vice-president and chief operating officer of Belridge Farms.

Although little known by those in the oil industry, Belridge Farms is a sizeable operation. The turnover of the farming and associated packing business is running at over $35m a year. Even so, it was hardly noticed in the Belridge acquisition. As a senior Shell executive said, the value of the farm hardly registered in the takeover sensitivity analyses.

Shell Oil has not gone into the farming business as a deliberate diversification move. The ranch is being retained because it may lie above one or more oil fields. In geological parlance, the land contains some interesting "structures." Mr Herrick and his 350 employees hope that, if oil is found, they will be allowed to farm around the wells.

That may be wishful thinking. In the neighbouring Belridge oil field — the reason for the takeover — producing wells resemble a crowded pasture of nodding donkeys. Shell Oil is about to relocate a school of 89 students, which

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Mugabe attack on Nkomo puts coalition in peril

BY OUR SALISBURY CORRESPONDENT

THE FUTURE of the Mugabe-Nkomo coalition Government in Zimbabwe hangs in the balance this week, following Mr Robert Mugabe's bitterly outspoken weekend attack on his coalition partner.

The Prime Minister, speaking at an 18,000-strong party rally at Marandellas, near Salisbury, vented his anger at the discovery last week of arms caches in different parts of Matabeleland, on property owned by Mr Joshua Nkomo's Patriotic Front party.

In what is seen as his strongest attack since independence on any political figure, including the former Prime Minister, Mr Ian Smith, the Prime Minister likened Mr Nkomo's role in the Cabinet to having "a cobra in the house."

The Patriotic Front has five Ministers in the 26-member Cabinet, and 20 seats in parliament, compared to the ruling Zanu-PF's 57.

Mr Mugabe said that his party would this week decide what action was to be taken. "Some of you think that nothing is going to be done. But I can assure you something will be done."

In a particularly virulent attack on Mr Nkomo, he went on: "The only way to deal effectively with a snake is to strike and destroy its head."

Reopening old wounds, the Prime Minister accused the Patriotic Front leader of "trying to sell the country to our oppressors" at secret talks in the 1970s with Mr Smith, and also at the Geneva and Lancaster House conferences.

There was no immediate response from Mr Nkomo. But last week, he denied any knowledge of the arms caches, and said

Mr Joshua Nkomo: no immediate response

that his party "planned no rebel action whatsoever."

Mr Mugabe said that while his party had been trying to reunite the country, "our colleagues in government were stockpiling and holding enough weapons to *arm 20,000 men.*"

The coalition has been under strain in the past, notably after last February's fighting in Bulawayo and the Midlands between former guerrillas of the two parties. But Mr Mugabe has tended to stay above the disputes.

This time, however, his decision to go so spectacularly for the political jugular vein only a fortnight after promising talks between the parties to establish a one-party state, suggests a change of tactics and a determination to confront Mr Nkomo head on.

Arrests in Portugal as 'terrorist plot' fails

By Diana Smith in Lisbon

THE Portuguese authorities made a number of arrests over the weekend after the Balsemao Government announced that it had foiled a terrorist attempt to subvert democratic institutions.

This followed the failure of a general strike on Friday, called by the Communist-led trade union confederation, and arrests in Lisbon the same night of three men in a car loaded with arms, explosives and pamphlets *calling for insurrection.*

A hard-hitting television speech on Saturday night by the Interior Minister, Sr Angelo Correia, implied that the Government linked the series of incidents to a Communist-inspired plan to overthrow the regime under cover of the strike.

The Communist Party is closely tied to Moscow and last Friday the Soviet Ambassador was summoned to the Foreign Ministry and warned that he must apologise publicly for his embassy's labelling of the Socialist leader, Sr Mario Soares as "mentally unbalanced, and in need of prolonged treatment," or face the consequences.

Sr Correia disclosed that throughout Friday numerous bomb threats were made against Parliament, aircraft of the national airline, the Lisbon bridge and many individuals.

The Minister said that after the arrests on Friday roadblocks were set up and national Republican Guard officers were injured severely when a number of cars crashed through the blocks. In several instances police were fired on.

The Communist-led trade union, CGTP, has denied any connection between the strike and the incidents.

Nato 'weak in conventional arms'

BY BRIDGET BLOOM

NATO countries face the possibility that an outbreak of war in Europe would lead rapidly to the use of nuclear weapons, unless they spend more on conventional weapons, General Bernard Rogers, Supreme Allied Commander in Europe, said in Munich.

Gen Rogers was speaking at an annual defence studies conference attended by senior U.S. and European policymakers including Mr Caspar Weinberger, U.S. Secretary of Defence and Herr Hans Apel, West German Defence Minister.

In one of his toughest statements for a long time, the senior North Atlantic Treaty Organisation commander said that Nato governments could close the growing gap between the alliance and the Warsaw Pact's conventional forces if they increased defence spending by 4 per cent in real terms over each of the next five years. Such a course had been recommended by *Nato commanders* and would be laid before Nato Ministers in the form of detailed proposals in May.

Conventional forces had been so neglected over the past decade that "what I have today is a pocket full of promissory notes," Gen Rogers said.

Current strength was such that the commander in Europe would have two alternatives on the outbreak of war—escalation or capitulation.

Gen Rogers said he believed *it was unlikely that if there was* escalation to the nuclear level it could be long confined to the battlefields or even medium-range systems.

Nato needed enough conventional forces to meet not just the first but also the second echelon of Soviet divisions on the central front, Gen Rogers said.

This would induce the Soviet Union to withdraw rather than escalate the war.

Disagreement between the U.S. and Europe over responses to Poland to East-West trade and to detente flared in public several times during the conference. Mr Weinberger referred to the "profligate" transfer of technology which had allowed the Soviet Union to catch up militarily. He underlined the U.S. Administration's hostility to the gas pipeline deal between Europe and the Soviet Union and he chided West Europeans for an often inadequate defence effort.

The U.S. Defence Secretary said the Administration would urge Congress to repeal recently passed buy-American legislation which could prevent sales of European defence equipment to the U.S. Congress passed five amendments to the appropriation Bill at the end of last year. One could jeopardise potential sales of the British Hawk trainer aircraft worth several hundred million pounds.

Soviet Premier reinforces backing for Jaruzelski

BY DAVID SATTER IN MOSCOW AND DAVID BUCHAN IN LONDON

MR NIKOLAI TIKHONOV, the Soviet Prime Minister, yesterday gave the most emphatic Soviet endorsement to date of the imposition of martial law in Poland and said the Soviet Union was *giving* Poland "considerable" economic aid.

In an interview with the Japanese newspaper, Asahi, the Soviet Premier claimed martial law had saved Poland from "anarchy, disintegration and civil war." He attacked the U.S. for "*startling hypocrisy*" *in trying* to use Poland's internal crisis to impose its economic and political will on its allies.

Unlike the U.S., the Soviet Union was "vitally interested" in the restoration of "normal life" for the Polish people, Mr Tikhonov asserted. The Kremlin is believed to be anxious that the Polish Communist Party, currently in disarray and taking a back seat to the army, should soon regain its "normal" leading role.

Mr Tikhonov said the Soviet Union was continuing to fulfil its economic obligations to the Poles "despite the fact that Poland is so far unable to balance its trade." He put no figure on the "huge assistance" Moscow has been providing. But Western analysts believe it may amount to nearly \$2bn in hard currency last year, while the Soviet Union may have been subsidising Poland's trade

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Police arrested 194 people, many of them students, during demonstrations in Poznan yesterday, the Polish news agency PAP said, Reuter reports from Warsaw. Some 162 of those arrested had been punished by misdemeanour courts, the agency added.

AP reports from Bucharest: The Romanian Government yesterday announced sharp price increases for a series of basic foodstuffs. The price of rice was raised by 87 per cent, meat by about 64 per cent and sugar by 55 per cent.

Community Ministers to meet on EMS today

BY JOHN WYLES IN BRUSSELS

EEC FINANCE Ministers meet here today to discuss modest proposals for developing the European Monetary System (EMS), which indicate that the Ten are still a long way from agreeing on a plan for dealing with U.S. interest rates and dollar instability.

Discussions at official level and between central bank governors have been so inconclusive that the European Commission has drawn back from preparing any written proposals on interest rates and the dollar.

M Francois-Xavier Ortoli, the Commission's vice-president and M Jacques Delors, French Finance Minister, have been arguing in favour of creating a so-called "zone of probability" between EEC currencies and the dollar.

This scheme, supported by some of the smaller member-states, would maintain the exchange rate between the U.S. dollar and the European Currency Unit (EU), the EEC's composite currency, within a certain band.

It is recognised that a prerequisite for a successful dollar policy is U.S. co-operation. This is unlikely because Washington would have to abandon its policy of not intervening in currency markets to support the dollar. West Germany and the UK doubt the possibilities of any unilateral action by the Europeans to insulate themselves from the effects of U.S. economic policies.

While Ministers may call for more work on the "zone of probability" idea, they will certainly agree on the urgent need for sustained and concerted pressure to warn the American authorities that their current fiscal and monetary policies are threatening to undermine economic recovery in the EEC.

With the aim of preparing recommendations for next month's EEC summit, Ministers may also call for precise recommendations on increasing the use of the European Currency Unit.

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U.S. doubts grow over Salvador policy

By Reginald Dale, U.S. Editor, in Washington

THE DEBATE over U.S. involvement in El Salvador intensified at the weekend as a U.S. Colonel was ordered home for violating army regulations and a Democratic Senator visiting the country criticised the Government's human rights policies.

Mr Deane Hinton, U.S. ambassador in San Salvador, announced that Lt-Col Harry Melander, one of the 50 or so U.S. military advisers in the country, would be sent home within a week following an incident in which he and four other U.S. personnel were filmed carrying unauthorised combat weapons in an area subject to attack by left-wing guerrillas.

The incident, shown on television in the U.S. stirred anxiety among many Americans who fear that El Salvador may be turning into a second Vietnam and gave a boost to opponents of the Administration's policies in Central America.

● Mr Alexander Haig, the U.S. Secretary of State, has returned from a trip to Europe and North Africa to find himself in the middle of a new controversy over whether he or Mr Caspar Weinberger, the Defence Secretary, is running foreign policy. Israel has taken Mr Weinberger to task for seemingly pro-Arab and anti-Israeli remarks he made on a trip to the Middle East last week.

Mr Haig said Mr Weinberger had been misreported and had, in fact, stuck pretty closely to a line that the two men had co-ordinated beforehand. There had not been, and he did not contemplate, any change in the U.S. policy of support for Israel.

U.S. urged to curb Israel aid

BY RICHARD JOHNS, MIDDLE EAST EDITOR, IN TUNIS

ARAB Foreign Ministers have appealed to the U.S. to cease giving military and financial assistance to Israel. They decided on this action at talks in Tunis called by Syria to discuss and agree upon a collective response to Israel's annexation of the Golan Heights.

The Ministers also established a commission to evaluate links between Arab states and countries "supporting the Zionist entity." The intention is that Arab relations will be adjusted according to the position taken by states on the question of "Arab rights."

That was as far as the meeting, which ended on Saturday, went in threatening reprisals against the U.S. for its veto last month of a draft resolution in the Security Council calling for voluntary sanctions against Israel and other states which voted against Israel's condemnation or abstained in another anti-Israel vote in the General Assembly a fortnight ago.

The outcome of the Tunis talks was a victory for the moderate camp led by Saudi Arabia which argued for a measured, graduated approach designed to win the U.S. over to the Arab point of view by persuasion of its best interests rather than by pressure.

In the event Syria did not struggle hard for its demand for far-reaching economic and financial sanctions against the U.S. including a boycott of merchandise imports from it, a prohibition against the grant of contracts to its companies, and the withdrawal of funds from U.S. banks.

No precise guidelines have been set for assessing what might qualify offending states for Arab reprisals or what retaliation might be.

Represented on the ministerial commission are Algeria, Iraq, Jordan, Kuwait, the Palestine Liberation Organisation, Saudi Arabia and Syria. It is to report to the Arab Summit Conference, suspended in Fez last November, whenever it is resumed.

Reuter reports from Tel Aviv: Druze inhabitants of the Golan Heights began an indefinite strike yesterday over the detention of four of their leaders accused of incitement against Israel. All shops and businesses were closed.

Mr Khaddam: discounted reports of violent conflict

Syrians report 'mopping-up' in northern city

By Our Foreign Staff

SYRIAN OFFICIALS said yesterday that mopping-up operations were continuing against Moslem fundamentalists rebels in the northern city of Hama. The rebels are opposed to the Ba'ath Party Government of President Hafez al-Assad, which draws its main support from the minority Alawite sect.

Earlier, the Foreign Minister, Mr Abdel-Halim Khaddam, said that the drive against the rebels—members of the outlawed Moslem Brotherhood—had ended.

The officials said that a road by-passing Hama to link Damascus with northern Syria was re-opened yesterday after being closed last week during the disturbances. But the main road into Hama itself remains blocked.

The Government has denied U.S. reports of major battles and heavy casualties in Hama, but the official news-media has reported scores of arrests and the seizure of large quantities of arms and ammunition.

Mubarak sees population growth as key problem

BY ANTHONY McDERMOTT IN CAIRO

PRESIDENT Hosni Mubarak of Egypt has firmly identified as the key to his country's economic problems the growth in population, now running at more than 3 per cent a year.

He was addressing the opening session of a national economic conference here at the weekend, which is due to establish the guidelines for long-term policies and planning.

"The present rate of population increase obstructs economic development and shatters our hopes for securing a prosperous life for every Egyptian," he declared.

In discussions following his speech, based on some of the 35 papers produced for the conference, two former Prime Ministers suggested modifications to the liberal economic policies initiated by the late President Anwar Sadat in 1974.

Mr Mubarak said that last month Egypt's population had reached 44m and was growing at the rate of 1.3m a year. He calculated it would reach 70m by the year 2,000 and double in the following 25 years.

After Mr Mubarak's speech, discussion started on a working paper suggesting the investment annually of E£6bn (£3.8bn) to produce 400,000 new jobs a year.

Mr Mubarak gave other figures to illustrate the extent to which the population would have an impact on the economy. He pointed out that over the next 18 years, 8m housing units would be required and that the number of school-children qualifying for compulsory primary schooling would double by the year 2,000 to 12m.

Among the other speakers, Dr Abdel-Aziz Hegazi, Prime Minister between 1973 and 1975, was critical of President Sadat's Open Door economic policy, saying it had failed to attract productive foreign and local investment.

Dr Mustapha Khalil, Prime Minister between October 1978 and May 1980, proposed that the public sector should be re-organised.

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UK exporters make Gabon breakthrough

BY PAUL CHEESERIGHT, WORLD TRADE EDITOR

BRITISH exporters have made a major advance into the Gabonese market by establishing themselves, after two years' nagotiation, as suppliers to the Gabonese Railway Anthority.

Midland Bank has signed a loan agreement with the Gabon Ministry of Economy and Finance to provida a project line of credit worth £10m at 8.5 per cent interest to fund initlal purchases. Further credit arrangements for another £60m are likely later this year.

The existing line is the first buyer credit supported by the Export Credits Guarantee Department in Gabon. The funds are coming from Barclays Bank and Lloyds Bank, as well as the Midland.

They will cover purchases of equipment for the first phase of the Trans-Gabonese Railway, now nearing completion, and services for both the first and second phases of the project.

ECGD said that Henry Boot Engineering had signed a contract for the provision of £1.3m worth of track. Negotiations were well advanced, it said, on four further contracts:

- Consultancy services worth £3m from Transmark, the British Rail subsidiary, related to the running of the first phase and the planning of the second;
- Cranes from NEI-Clark Chapman costing £850,000;
- marine vehicles, as feeder vessela for the railway, valued at £1.5m from Rotork Marine;
- Clips, which bold railway tracks to sleepers, costing £100,000 from Pandrol.

It is also believed that BRE-Metro, owned by British Rail and Metro-Cammell, the Laird group subsidiary, is negotiating for the sale of rolling stock valued at about £5m.

Additional credits will be available if, as expected, Eurotrag, the 18-member consortium of European companies, in wbicb Taylor Woodrow International and Wimpey have a 22 pcr cent stake, win what will probably be a £350m contract to build the aecond pbase of the railway.

M Jean-Pierre Lemouba, tbe Gabon Minister of Economy and Finance, said in London that contracts for the second phase wonld be signed in May. Gabon's borrowing policy demands that funding for it will have to be at fixed rates of interest.

UAC, Matsushita in joint deal for Nigerian plant

BY MARK WEBSTER

UNILEVER'S subsidiary, UAC, has reached agreement in principle with the giant Matsushita Electric Company of Japan for the establishment of an electrical and electronic manufacturing company in Nigeria.

The agreement hinges on a decision by the Nigerian Government about the sbare structure of the new company in the light of the West African Government's insistence on a minimum local holding.

The establishment of a manufacturing company would be a logical development of more than 20 years of close co-operation between Matsushita and UAC in Nigeria.

After years of trading and assembly, the Lagos Government has made it clear that it wisbes to increase the locally manufactured content in products on the Nigerian market.

But until recently, there has been confusion over the Nigerian "indigenisation" law whicb insisted that any company in Nigeria, even if it held only a minority foreign shareholding, be considered an entirely foreign company for the purposes of fresb investment.

The law has proved an important disincentive to fresb investment by companies with a majority Nigerian bolding like UAC's Nigerian arm, UAC of Nigeria.

But the administration of President Shehu Sbagari has indicated it wants to encourage more investment and is likely to decide the shareholding of the new company on the hasis that UAC Nigeria is already largely in Nigeriao hands.

The establishment of an electronics manufacturing industry has long been sought by Nigeria.

World Economic Indicators

RETAIL PRICES (1975 = 100)

	Dec. '81	Nov. '81	Oct. '81	Dec. '80	% change over previous year
W. Germany	132.2	131.8	137.2	124.4	6.3
UK	229.1	227.7	225.3	204.5	12.0
France	197.0	195.7	194.0	172.8	14.0
Italy	273.2	270.4	265.9	231.6	18.0
Netherlands	148.4	148.4	148.0	138.2	7.4
Belgium	152.1	151.1	149.6	140.6	8.2
U.S.	174.6	174.1	173.6	160.3	8.9
Japan	145.9	145.7	146.1	139.6	4.5

Source (except U.S., Japan): Eurostat

Turkey in nuclear plant talks

ANKARA — Turkey has taken steps to acquire two small-size nuclear plants from Kraftwerke Union (KWU) of West Germany.

The Turkish Foreign Ministry has asked for technical-level meetings with KWU to build two 400 Mw plants along Turkey's Mediterranean coast.

The two plants would reportedly cost $1.6bn. Turkish efforts in the past to acquire a nuclear power plant failed because Ankara was unable to obtain foreign financing.

An effort in 1980 to buy a Swedish nuclear power plant fell through when the supplier's credit was withdrawn in 1980.

KWU, the leading West German nuclear power station builder confirmed it was holding talks with Turkey about the possible supply of reactors.

Agencies

Iran seeks new economic ties

By Our Rio de Janeiro Correspondent

IRAN HAS sent its first Government mission to Brazil since thc 1979 revolution with tbe aim of re-establishing the once-flonrishing commercial relations between the two countries.

Led by a clerical member of parliament, Ayatollah Mohajerani, thc seven-man mission is paving the way for the arrival of a more senlor trade mission empowered to sign contracts.

Before the Revolution Iran was Brazil's third largest oil supplier, after Iraq and Saudi Arabia. As late as 1979 these imports were worth $827m.

Iranian officials said tbey are particularly interested in tapping into Brazil's agricultural technology and would like Brazil to restore its intake of Iranian oil to pre-revolution levels of 150,000 barrels per day.

Iran is unlikely to get an enconraging reply on the oil qnestion

£16m Mexico order for Perkins diesel engines

By Our Industrial Staff

THE PETERBOROUGH-based Perkins diesel engine mannfacturer is to supply $30m (£16.5m) worth of engines to Mexico under a new financial arrangement with the Midland Bank.

Perkins will sell the engines to its associate company Motores Perkins for assembly and the Export Credits Guarantee Department bas guaranteed the loan.

Under the new arrangement, which Perkins expects to ensnre stable funding for its business, the ECGD is backing a loan by the Midland Bank to a Mexican Institution, Nacional Financiera, for the pnrchase of diesel engine kits.

Westerly Christner analyses the troubles plaguing Sweden's maritime industry

Shippers hit by high operating costs

SWEDISH shipping companies have been lobhying vigorously to reduce the heavy operating costs which they claim threaten the industry's survival.

The companies cite estimates that the Swedish merchant fleet bas shrunk from a record high of 12.9m deadweight tonnes in 1976 to 5.5m dwt last year, the lowest since 1961. This compares with the British fleet's 50m dwt in 1976, down to 39.9m dwt at the end of last year.

Owners blame this situation on the soaring prices of building new tonnage, bunker charges, high interest rates, currency exchange losses and rising manning costs.

Sweden holds the duhious distinction of having the highest manning costs—including taxation and employers' fees—in the world.

Until the mid-1970s when the effects of the oil crisis hit Swedish shipping, maritime unions successfully demanded uniquely generous wage and benefit settlements.

The average officer today works about five months out of 12, the seaman somewhat more. Their income is subject to a special, lower seamen's tax—against which extra on-shore work is taxed from zero.

"In 1973, all bulk and oil carriers were employed. The following year, the unions said if the owners did not give them everything they wanted they would strike. So the owners gave in to all the demands," said a Gothenburg maritime industry expert.

The consequeoces of the world shipping slump, combined with Sweden's high costs, were disastrous. Ships were sold, sometimes at less than their real value, to obtain extra bank security.

Some well-established companies, like Malmros and Granges, were stripped bare of usable assets. For example, a spectacular quarrel with unions over manning costs, allegedly stirred up hy the International Transport Workers' Federation, led Broström to abandon the cruise business and sell two ships.

The companies wbich escaped the crisis intact started allowing officers to buy into their vessels. This created a wave of part-ownerships, which are now coming under tax scrutiny.

Swedish shipowners also began to operate, but not own, tonnage as another solution to crippling costs. "The owners operate as big a fleet as in the middle of the 1970s without owning as much of it," the maritime expert said.

The three main Swedish maritime unions—representing some 11,500 active seamen, and 3,000 deck and 3,500 engine officers—have appeared at a loss as to how to react positively to the owners' cost-reducing efforts. This has been put down to lack of strong union leadership.

"The unions' leaders really do not understand the issues. It is very sad they are so weak" said an official of the Transport Ministry, whicb is responsible for shipping.

The unions have always argued that owner's cost-saving pleas amount to nothing more than an excuse for allowing owners to 'flag-out' or run down the country's merchant marine fleet.

"Somelbing must he done to stop flagging-out and instead to mainrain our fleet," said Mr Ove Björk, chairman of the Swedisb Seamen's Union, wbo wants a separate sbipping ministry to be established.

Government and shipping representatives have been quick to agree there is no law preventing a Swedish owner from selling vessels abroad, then operating them with another management under foreign flags.

In spite of the antagonism between owners and the workforce, most companies say the advantages in keeping Swedish shipping going still outweigh the headaches of trying to make the unions uoderstand what must be done, and why.

At the same time, the companies and the Government—the latter traditionally weak on shipping matters—have dismissed the preoccupation with flagging-out as irrelevant.

To try to reverse the industry's steady decline, Mr Claes Elmstedt, the Transport Minister, called on the shipowners and unions laat August to start a three-way dialogue.

The groups have met several times with little success, although an independent consultant to the Transport Ministry has submitted a report on Swedish shipping including how to create tax incentives to generate greater operating cost efficiency.

According to the report, which is being examined by owners and the unions, people employed at sea for between nine and 10 months should have a 75 per cent tax reduction, falling to 50 per cent for between eight and nine montha at sea, and 25 per cent for between six and eight months. The seamen's tax situation would then be equal to that of any Swedish worker employed by a Swedish multinational based abroad.

The Treasury's estimated loss in revenne from the measures would be roughly Skr 250m (£23m), which the report said would be more than compensated for in a few year's time by increased shipping activity and thousands of new jobs.

If there are no reforms, there is a risk that Sweden will lose tonnage, and investment in new shipa will slump, the owners say.

SHIPPING REPORT

Major orders boost depressed industry

BY ANDREW FISHER, SHIPPING CORRESPONDENT

SHIPBUILDING is hardly one of the world's current growth industries, with 1982 expected to be a tough year as the shipping markets stay depressed. But last week saw news of significant orders with others in the pipeline.

The announcement that the $200m (£108m) order for three container ships by the Barber Blue Sea consortium, with UK, Norwegian and Swedish members, would go to South Korea was further evidence of how the Japanese are being undercut by their Asian neighbour.

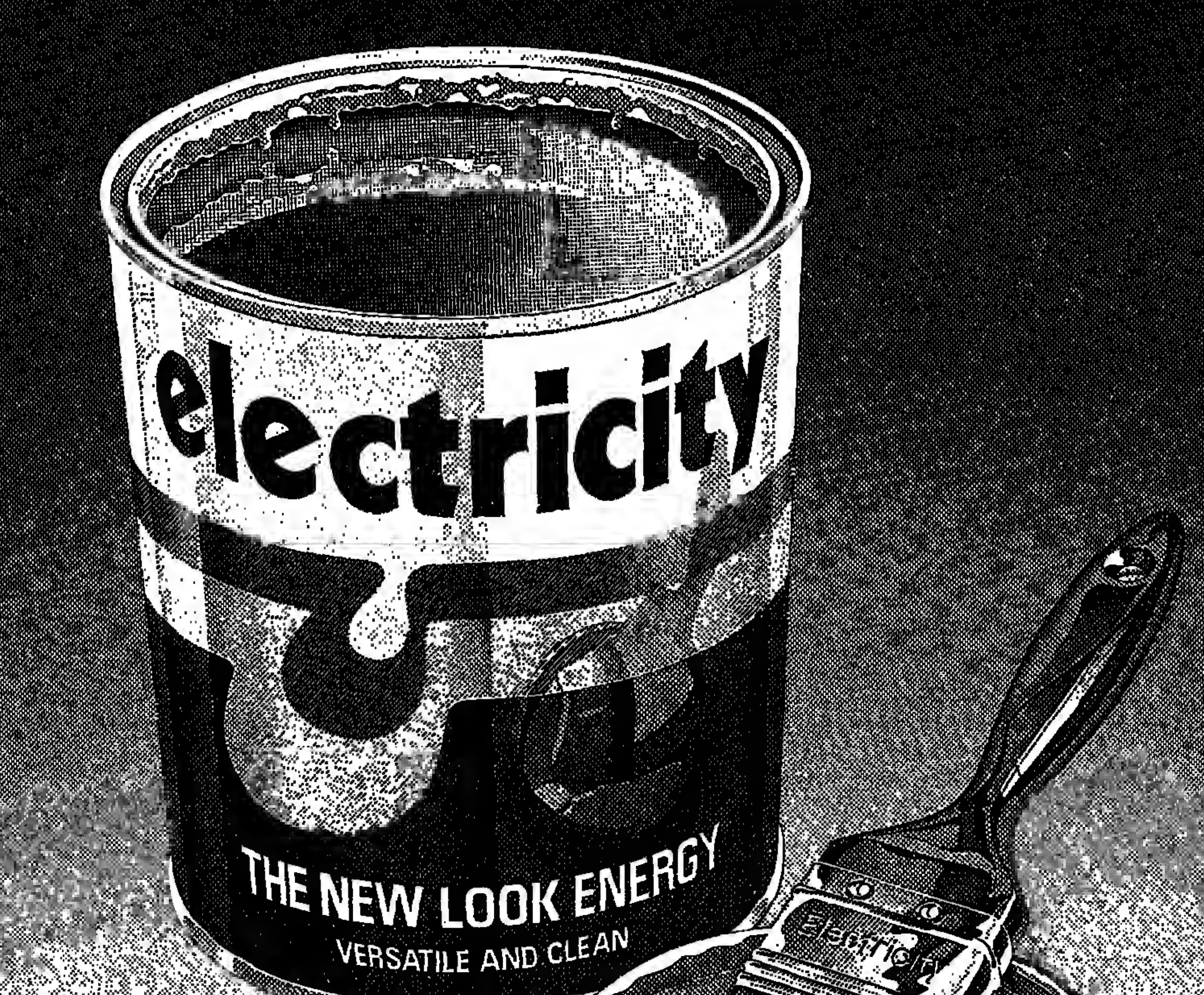
Mitsubishi Heavy Industries, for one, had hoped to take part in the order, which involves options for further ships, but Korean prices are at least 15 per cent lower than Japan's and companies like Hyundai are also prepared to quote in dollars.

Also on the way is a £150m replacement order for five ships by Atlantic Container Line (ACL), including Cunard of the UK and other European lines. Tenders have been received from a number of yards and ACL is likely to take a decision soon.

British carrier sale

BRITISH Shipbuilders has confirmed the placing of a £25m Scandinavian order for a general pnrpose cargo container carrier to he built at the Swan Hunter yard on the Tyne, our Shipping Correspondent writes.

The 42,000 deadweight tonne vessel will actnally be built for Lomhard Maritime London. On completion it will he chartered to Leif Hoegh (UK), part of the major Norwegian shipping group.



Labour plans economic development agencies

BY GARETH GRIFFITHS

A FUTURE Labour Government would introduce regional economic development agencies in England, and abolish enterprise zones, Mr Stan Orme, the party's industry spokesman, said at the weekend.

Mr Orme told the Labour Party's local government conference, in Sheffield, that the new bodies would be set up along the lines of the Scottish and Welsh development agencies.

These would be centrally funded and would probably match areas already used for economic planning. The UK is divided into 16 economic regions, and Mr Orme said the agencies would be appointed with strong local authority representation.

Local enterprise boards, set up by several authorities including the Greater London Council and the West Midlands County Council, would have to be tailored into the scheme.

The local enterprise boards are funded primarily under section 137 of the 1974 Local Government Act, which allows councils to use the product of a 2p rate to fund industry. Mr Tom King, the local government minister, last week announced proposals which would limit such aid to the product of ½p rate. Mr Orme said this condition, if implemented, would kill the enterprise boards.

Mr Geoff Edge, the chairman of the West Midlands County Council economic committee, said there was a need for authorities to be able to levy all the 2p rate. Also, there was an urgent need for legislation to sort out unclear areas of pension fund investment in local authority projects. One of the main aims of the local enterprise boards is to attract institutional investment, using the local authority employee's pension funds as a springboard. Legal opinion appears divided on this issue.

● An attack on the way the GLC Labour group is run was made at the conference by Mr Andrew McIntosh, the former leader of the group. He said so much business was now referred to the Labour group instead of being handled by committees, that leadership decided the group's agenda. Mr McIntosh said that individual councillors now found it very difficult to propose new ideas. This meant there was an effective autocracy in the council, similar to the days of old-style political bosses.

Heseltine defends role of public sector

BY PETER RIDDELL, POLITICAL EDITOR

A STRONG DEFENCE of the role of the public sector working in partnership with private enterprise was made yesterday by Mr Michael Heseltine, Environment Secretary, in a speech clearly intended to mark out his own distinctive brand of Conservatism.

Mr Heseltine told Young Conservatives in Harrogate that it was wrong "to confuse the Tory approach with that of laissez-faire liberals. The Tory knows full well that for society to derive the greatest advantage from private enterprise it is necessary for it to operate within a regulated climate."

He stressed the need for clarifying the Tory attitude to the public sector. "We must not be thought to indulge in a general attack on the whole when all we seek is a specific attack on a part. In any foreseeable society millions of our citizens will work for and depend upon the public sector and they will simply not understand mindless criticism that appears irrelevant or hostile to their needs, expectation and security."

He also emphasised the dangers of high unemployment among the black community in Britain and appealed to City financial organisations to recognise the social problems of inner cities.

"Perhaps the very survival of our institutions in this country for so long without revolution owes much to the sense of responsibility of those who enjoyed the power of capital," said Mr Heseltine.

Lead-free petrol option 'overlooked'

FINANCIAL TIMES REPORTER

A REPORT commissioned by the recently-formed Campaign for Lead Free Air (Clear) yesterday questioned the Government's decision not to move towards banning lead from petrol.

The report, by Coopers and Lybrand, says it was difficult to understand last year's Government decision merely to reduce lead content from 0.4 grammes a litre to 0.15 grammes by 1985.

An alternative option of stipulating lead-free petrol for new vehicles, with the 0.15 grammes limit for existing ones, had been "totally overlooked" by the Government working party.

Controversy over the lead content of petrol has been revived by the disclosure last week of a letter by Sir Henry Yellowlees, chief medical officer at the Department of Health and Social Security, saying there was a strong likelihood that lead in petrol was permanently reducing the IQ of many children.

The Coopers and Lybrand report says: "Even if the case were not fully proven, the potential harmful effects are so insidious and widespread that it would be criminal, whilst serious suspicion remains, not to take all reasonable preventive measures."

Mr Des Wilson, chairman of the Campaign for Lead Free Air, said: "In my view the case for the Government to answer—that it made a fundamental blunder last year—is now becoming so substantial that only obstinacy by Whitehall and the greed of the oil companies can stand in its way."

Disciplinary procedure at Lloyd's attacked

By John Moore

A LLOYD'S underwriter who faces expulsion from the insurance market has complained to a member of the House of Lords about the behaviour of the Lloyd's authorities.

At the request of Lord Orr-Ewing, Mr Reid Wilson, the underwriter, has detailed his objections to Lloyd's behaviour over his disciplinary hearings. Lord Orr-Ewing will be helping steer the Lloyd's Bill, for improving the market's self regulation, through its later stages in Parliament.

Mr Wilson faces expulsion from the Lloyd's market following an internal inquiry and arbitration proceedings which studied the trading relationship of an underwriting syndicate which he headed, syndicate 566, with the Lloyd's insurance broking company of the Christopher Moran Group.

After the arbitration Lloyd's decided to call a meeting of its 20,000 members for the purpose of excluding Mr Wilson as a member after finding him guilty of "acts and defaults discreditable to him as an underwriter."

But Lloyd's deferred the meeting until the conclusion of outstanding arbitration under section 20 of the Lloyd's Act of 1871 against Mr Christopher Moran. But this is not likely to be before the end of October. Meanwhile Mr Wilson is precluded from employment in Lloyd's until his fate is determined.

He has requisitioned a meeting to determine his fate in accordance with the Lloyd's Act. But Lloyd's is reluctant to proceed and is seeking advice from a High Court judge about the position.

Mr Wilson has warned that the moves Lloyd's is taking could have wide implications if it gains a legal immunity, protecting a new Lloyd's council from suits for damages

"If the committee currently is prepared to challenge their own rule book in court, and indeed could be sued for damages by me or any others, what potential problems could arise if they are given full immunity?

"In a case like this, whatever the rights or wrongs, they can bulldoze an individual such as myself into vast court actions and fees," Mr Wilson has told Lord Orr-Ewing.

SDP Constitutional Convention

Delegates approve basic structure of their party but insert loopholes

BY ELINOR GOODMAN, POLITICAL CORRESPONDENT

THE 300 SDP representatives gathered in London at the weekend approved the basic structure of the draft constitution put forward by the leadership.

But they knocked two holes in the plan and made clear throughout a day-and-a-half's earnest debating, and at times confusing voting, that they would react badly to attempts to impose views on them from above.

Yesterday the leadership suffered what could be a fairly serious setback when representatives ignored a strong appeal from the steering committee and carried a motion which will give area parties the right to withhold at least 20 per cent of subscription revenue from head office.

If the resolution were implemented this year the SDP might lose about £150,000 of its forecast income and have to make staff redundant.

But Mr William Rodgers, member of the party leadership responsible for organisation, said yesterday that the resolution did not apply to this year on the grounds that the national committee, which the conference decided should be the body to issue the appropriate instructions to local parties, had not yet been set up.

At present the full subscription of £11 is returned to head office and local parties raise their own funds separately.

It has been clear for some time that this has created resentment in area parties.

In the debate members argued strongly for some local control over money, to help finance local elections and provide an incentive to recruit locally.

They repeatedly criticised "unnecessary bureaucracy," and it was clear throughout that members were hostile toward anything smacking of centralisation.

The message of nearly all the debates was that members were attracted to the SDP in the first place because they thought it would give them a chance to participate in politics, and that they would be very aggrieved if the party watered down its commitment to consultative democracy and decentralisation.

This was most obvious in the debate on the method of electing the leader, when they voted overwhelmingly against restricting the electoral franchise to MPs. But it was also a factor in the other changes to the constitution which representatives insisted on making.

On Saturday in the first debate of the conference, they rejected the leadership's proposal that the basic unit of organisation be based on groups of constituencies rather than individual ones, and insisted on a degree of local autonomy.

They went on to shrug off the steering committee's advice again, and carry an amendment giving area parties the right to delegate responsibility to local parties for that most envied of tasks, selection of candidates.

Mr Rodgers argued passionately against undermining the principle of area parties, on the grounds that they were far better suited to the needs of the SDP than "old-fashioned" constituency parties.

In this way, he said, stronger constituencies could help weaker ones in the same area, and the negotiations with the Liberals would be made much easier.

Endanger

At one point Mr Rodgers went so far as saying that a switch to constituency parties could endanger the party's whole election effort.

His pleas did not seem to move those parties determined to organise themselves on a constituency basis.

The debate showed a clear divide between rural and urban parties, with rural parties insisting that the wide distances from one side of a party area to another meant that only the views of mobile middle classes would get to meetings.

The vote brought a compromise: They threw out an amendment to make constituency-based parties mandatory, and went instead for a permissive one for area parties of "one or more parliamentary constituencies, up to seven."

The amendment means that the steering committee must rethink the rules for the election to the Council for Social Democracy, as under the original draft each would be entitled to elect two members, which with numerous constituency-based parties would make the council unmanageably large.

Alternatively, the steering committee may try to use powers it has elsewhere in the constitution to withhold permission for constituency-based parties except in a very few special cases.

The other main area of concern among representatives about the proposed organisational structure was lack of opportunity to initiate policies.

Having learned its lessons in the Labour Party, the steering committee has been very careful not to give party members the right to make decisions binding on MPs.

But it was clear from the debate on the powers of the various national bodies that some members felt the SDP had let them down by not enabling them to formulate policy, as they hoped when they joined the party.

Several speakers complained bitterly that the SDP was betraying the principles for which it stood of "democracy and decentralisation." One warned that it was in danger of becoming the "most disciplined and ideologically restrictive party in Britain."

The steering committee had been worried that conference might carry an amendment tilting the balance away from the parliamentary party.

But they bought off the threatened rebellion fairly lightly by accepting the spirit of an amendment giving the council certain rights to initiate policy reviews. The committee put one of its own embodying the idea of secret ballots on major policy issues.

Despite the changes made, the basic pyramid structure of the proposed constitution remained intact at the end.

Responsible

Area parties will elect members to the 400-strong Council of Social Democracy, on which MPs and a small group of co-opted members will sit as non-voting members. The council, led by the president, will elect 12 members to the 40-strong national committee, to be responsible for the party's affairs outside Westminster.

Most other members of the powerful national committee will be either directly elected by party members or come from Westminster.

This committee will in turn elect a sub-committee responsible for preparation of policy statements for submission to the Council.

Once passed by the Council, the statements will be considered by the sub-committee for inclusion in the party manifesto.

But to avoid the kind of arguments which drove the SDP founders out of the Labour Party it is spelt out in the constitution that MPs will regulate their own proceedings.

They will not be bound by policy statements passed by the Council, or mandated in any way.

Winding up the debate on the Council's function, Mr Roy Jenkins said the aim of the constitution was to strike the balance between the "greatest possible democracy and the rights of elected MPs."

But it was clear from the weekend debates that if the MPs did not make use of the elaborate procedures to consult views of members, some people who joined the SDP for the opportunity to influence decisions, would be very disappointed.

Majority favours 'one member one vote' to choose leader

BY ELINOR GOODMAN

THE SDP Conference yesterday rejected the leadership's recommendation on the method of electing a future leader, and voted heavily in favour of giving every party member a vote in the leadership election.

In a highly complicated ballot, which was preceeded by numerous points of order, members were asked to choose between three sets of proposals. The result, announced to roars of approval, was 166 votes for the principle of "one member one vote," compared to 73 votes for the idea of some interim arrangement under which party members would elect the leader until the Parliamentary party grew larger. The leadership's preferred solution of an election by MPs alone got 63 votes, and now looks dead.

All three proposals will now go to a ballot of the entire membership next month. But the size of the vote in favour of one member one vote means that, in some form, it must now be the strong favourite to win.

The existing four SDP leaders are split over the method of electing the future leader. Yesterday's vote was a blow to Mr William Rodgers and Mr Roy Jenkins who, with the majority of the steering committee, want MPs to have the right to elect their leader.

The vote was a triumph for Mr Michael Thomas who has led the campaign to give every party member a vote. Yesterday, he infuriated some of his colleagues by getting round the steering committee's self-denying ordinance on expressing a preference during the debate, and attacked the steering committee from the rostrum in his capacity as the representative of his local party in Newcastle upon Tyne.

If he was not a member of the steering committee himself, he said, he would "sue it for a breach of the Trades Descriptions Act." Many of the 78,000 people who had joined the party, he claimed, had done so because they believed in the principle of one man one vote. To depart from this idea now would be to betray the principles on which the party was founded.

If MPs were given the exclusive right to elect the leader, he argued, a candidate would require only 15 votes in addition to his own. "Fifteen votes even of archangels are not democratic," he said.

His speech annoyed some members of the steering committee, but it clearly reflected the views of many representatives.

During the debate, members repeatedly argued that they had not joined the party only to give MPs the exclusive right to elect the leader.

A number argued for the compromise proposal of some interim arrangement until the Parliamentary Party grew larger. The Parliamentary Party at the moment, they said, was too small to be a satisfactory electoral college. Moreover, only one of the members had been elected as a Social Democrat.

Those in favour of the leadership's recommendation argued that members should trust MPs to make the right judgment: "If we believe MPs are equipped to form a Government, surely we believe they have the judgment to elect a leader," said one. MPs, they said, were the best people to judge who should lead them in Parliament.

Others pointed out that the party founders had left the Labour Party because they obejcted to the erosion of MPs' rights.

At the end of the debate, representatives were asked to fill in a complicated ballot paper, embodying the concept of a double transferable vote.

First they had to choose between the three basic principles. Then they had to say which of three variations of their preferred solutions they liked best.

The results showed a clear preference for one member one vote, but a cloudier picture of which particular method was best.

Ballot planned on equality

BY ELINOR GOODMAN

THE SDP leadership is to ballot its 78,000 members on its proposal to guarantee equal representation for women on the Council for Social Democracy in an attempt to resolve the most contraversial issue of the conference.

The decision follows more than three hours of anguished debates on Saturday in which representatives showed themselves to be united in wanting to improve the representation of women in politics, but split down the middle on how to achieve it.

Amid scenes of total confusion, the conference voted narrowly in favour of including a minimum of two women on the shortlist of candidates for parliamentary seats; and in favour of the steering committee's proposals for guaranteeing women four places on the 40 strong national committee.

They split 150/150 on the most important question of whether area parties should be obliged to elect an equal number of men and women to the party's supreme decision making body, the Council for Social Democracy.

Two recounts and numerous points of order were required to arrive even at this inconclusive result. Despite the confusion that surrounded the whole question of positive discrimination, only the proposal on the membership of the Council is to go to a secret ballot of party members.

The principal of positive discrimination has, therefore, been enshrined in the constitution as a result of the votes in favour of special treatment for women in both the selection of candidates and the composition of the national committee.

Feelings ran higher in the debate on women than at any other point during the conference. It was clear that many local parties had anguished for hours on how best to ensure that the SDP lived up to its promise to give women an equal opportunity within the party.

Though three separate proposals were discussed, the arguments advanced were basically the same. Opponents of the idea of giving women special treatment argued that positive discrimination was "insulting to women."

Such provisions would, they claimed, put sub-standard women in positions of power. Why, they demanded, stop at women? Why not positive discrimination for blacks, and other minority groups? As in the local parties, some of the speakers most passionately opposed to positive discrimination were women who had, they said, got where they were purely on ability.

In arguing against the proposals, some speakers invoked Mrs Shirley Williams as an example of the success which women can achieve through their own efforts. Mrs Williams insisted that in Britain it required far more effort for a woman to succeed than a man. Women, she pointed out, were grossly underrepresented at Westminster, with only 20 out of 635 seats in the Commons.

The only way to change the situation was for a political party to make positive discrimination a major part of its appeal to the electorate. The vote on this issue, she said, would be one of the best tests of whether the SDP intended being a truly democratic and representative party.

On Sunday, representatives also went through considerable anguish over whether to come out specifically in favour of equal rights for homosexuals. Eventually, they voted by 147 to 160 to delete the reference in the party's statement of principles to "sexual orientation." and to go instead for a blander statement about the need to create an open society which rejected prejudices based on "sex, race or religion."

Sketch

Fur flies in stroll down memory lane

DR DAVID OWEN, who takes himself and his politics very seriously—had no doubt at all that momentous and historic events were afoot at the Social Democrats' weekend conference.

He *solemnly* assured the representatives at Kensington Town Hall that they were drawing up a constitution that would last for the next century.

A more irreverent view was taken by Mr Frank Dobson, the Labour MP for Holborn and St Pancras South, who was lurking in the shadows as a sort of devil's advocate.

According to him the whole affair had more in common with the yapping and growling going on a mile down the road at Crufts Dog Show. Saturday's opening sessions certainly seemed to confirm the Dobson version.

Representatives beginning the two-day trek through the 30,000-word constitution kept returning to one acrimonious question—women's rights, or, to use the current buzzword, "positive discrimination" in favour of women on the SDP Council and the short list of parliamentary candidates.

This particular debate ended with scenes of exquisite irony over the issue of whether women should have a guaranteed place on the party's Council. Initially this proposition was rejected by one vote—146-145. Instant uproar.

It was, in fact, just like old times at the Labour Party Conference. All we needed was a punch-up in the corner between union delegates to make the picture complete.

The result of the recount—a tied vote of 150-150—made matters worse. Mopping his brow distractedly Mr Jenkins got himself off the hook with an inspired proposition that the matter should be put to a vote of the entire membership in the country.

Yesterday was a much more sober affair. The main question on the agenda was the method of electing the leader: should it be the prerogative of the party's MPs at Westminster or by a vote of the entire 78,000 membership?

If the choice is left to the MPs, Mr Jenkins stands a better chance of becoming leader. The wider franchise, however, would probably favour Dr Owen. Both contenders sat on the platform staring into space as if to imply that the result was a matter of sublime indifference to them.

John Hunt

Jenkin to meet Nissan executives

By Kenneth Gooding, Motor Industry Correspondent

MR PATRICK JENKIN, Industry Secretary, will this week meet for the first time top executives from the Nissan car group, which is considering setting up a plant in Britain.

He will meet Mr Masatak Okuma, the vice-president spearheading the Japanese company's investigation.

Although Nissan is expected to make a decision about the 200,000-cars-a-year plant by the end of this month for an announcement in March, many observers in the UK motor industry believe the odds in favour of the plant being set up are still only 50-50.

Nissan still has to agree with Industry Department officials on the way it will measure the local content of the cars it might produce in Britain. It has promised to start with a 60 per cent local (meaning European) content, building to 80 per cent as quickly as possible but has never stated how the percentage would be measured.

Talks with British unions about having one bargaining point for the plant will also take place shortly.

Wales factory plan

THE WELSH Development Agency has announced a construction programme to provide 350,000 square feet of industrial space in parts of Wales not included in special schemes undertaken after the steel closures. The factories should provide up to 1,000 new jobs.

Industry boost urged

A DELEGATION from the Engineering Employer's Federation will today ask Mr Leon Brittan, Chief Secretary to the Treasury, for budget measures to boost industry.

The EEF team, led by Mr Astley Whittall, chairman of its commercial and economic committee, will call for an immediate cut in the national insurance surcharge and more investment by the public sector.

Full mortgage offer

THE Bristol and West Building Society is to give 100 per cent mortgages to first-time buyers seeking loans of up to £25,000.

Borrowers will be expected to establish their "financial credibility" by having saved up to 5-10 per cent of the purchase price, but they would be allowed to use these funds in defraying costs associated with the new home and would be given a mortgage to cover full purchase price.

The society will also grant 95 per cent loans on properties valued up to £40,000.

Rates curb call

LOCAL COUNCILS are urged to do much more to aid industry in a document published today by the Confederation of British Industry's West Midlands region.

The paper says limiting rate rises is the best way to aid industry, and calls for curbs on council's powers to hand out cash incentives to firms, as these add to the rates bill and distort the local economy.

Threats fly in dispute over tabs on jeans

BY ANTHONY MORETON, TEXTILE CORRESPONDENT

THE TAB sewn into the seam of the back pocket on a pair of jeans has suddenly caused an enormous upset in the clothing world.

Writs and threats of writs are flying around and a meeting of 15 clothes manufacturers is being held in London next Friday to discuss the whole matter of labels.

What the industry fears is that a move quietly taken back in 1972 by Levi Strauss, the American jeans manufacturer which claims to be the world's largest clothing producer, could lead to manufacturers no longer being able to put their own labels in their products.

The British industry is annoyed because it failed to appreciate the consequences of Levi Strauss's original move.

The story began when the San Francisco-based company made application No. 100384 to the Registrar of Trade Marks to register a label in red, orange, white, black or blue, sewn into the left-hand seam of the rear pocket of a pair of jeans. This was granted, with effect from 1972.

Five years later the company, which has several production units in Scotland, filed an application to register as a trade mark tabs sewn into the seam or flap of a pocket. This application was considered a valid step by the Registrar, who announced it in November 1981 and called for comments from the industry.

This time, the rest of the industry was aware of what was happening and was dismayed to discover that Levi Strauss was considering a third application for the right to use a tab on all clothing and footwear with no limitation on colour.

The clothing industry was already seriously concerned that the second application could affect shirt-makers and those who produced skirts and blouses. It now considers that if Levi Strauss gets its way on the third application, virtually all labels in clothes, other than those in the American company's own products, will disappear.

Mr Gerald French, director of the British Clothing Industry Association, which is holding this week's meeting, said it was taking advice from its chartered patent agent on all the applications made by Levi Strauss, which is not a member of the association.

He said: "We must ensure that the applications are fully investigated and rigorously opposed. It now appears to us that the applications could cut across the existing practices of many of our member-companies."

Energy demand 'will rise slowly'

FINANCIAL TIMES REPORTER

ENERGY demand in the UK will grow less than half as fast as the economy in the 1980s, reflecting likely structural changes in the economy rather than conservation moves.

Cambridge Econometrics, a commercial arm of the Department of Applied Economics at Cambridge University, has forecast that the amount of primary energy required by the economy will grow by 0.6 per cent a year from 355m tonnes coal equivalent (mtce) in 1980 to 378 mtce in 1990. The forecast, issued today, assumes a 1.3 per cent annual growth in the UK economy.

Industrial and commercial energy demand is predicted to rise from 26.6bn therms in 1980 to 28.6bn therms in 1990.

Demand for solid fuel and oil will decline by about 7 per cent over the decade while gas demand will rise by 20 per cent and will overtake oil as the UK's most important energy source.

Gas will provide more than a third of total energy needs. Electricity demand will grow by 28 per cent over the period.

The relative sluggishness in industrial energy demand reflects the poor outlook for energy-intensive industries such as iron and steel and shipbuilding.

The chemical industry is the only energy-intensive industry likely to experience above-average growth.

The service sectors, which will experience a fairly rapid growth, are much less energy intensive.

Domestic energy demand will increase by only 5 per cent over the period, from 15.8m therms to 16.6bn therms. The major growth area will be in central heating. This will benefit the gas industry largely, which should see its domestic market share rise from 53 per cent to 60 per cent by 1990.

Cambridge Econometrics forecasts that real oil prices will fall in 1982 and 1983 but over the longer term prices will rise by 3 per cent a year in real terms.

Bank lending growing 'by about £20bn a year'

BY WILLIAM HALL

BANK LENDING is believed to be growing by about £20bn a year, equivalent to an annual increase of more than 30 per cent.

L. Messel and Co., the London stockbrokers, says in its weekly economic monitor that underlying loan demand, even after adjusting for special factors such as companies borrowing temporarily to meet large tax payments after the civil servants' strike, is "extraordinarily high."

The firm says that the buoyancy of bank lending has "wrecked and will continue to wreck" the Government's money-supply targets.

There is little prospect of sterling M3 growth being contained within the 5 to 9 per cent band envisaged for 1982-83 in Government medium-term financial strategy.

The January money-supply figures on Thursday are expected to show a growth of £1.75bn in sterling bank lending to the private sector, re-emphasising the present acceleration in bank lending.

Messel says that one or two special factors ma yhave been at work in January, such as round-tripping on commercial bills and borrowing to pay tax bills. Nevertheless, it believes that underlying bank lending to the private sector is growing at about £1.5bn a month.

Combination of "explosive credit growth and a very depressed real economy" is the "most baffling feature of the British economy at present." While the real economy remains so depressed, Messel says that strong action to rein back credit growth is "improbable."

● Unemployment is expected to reach a peak of about 3.5m in the first quarter of 1983 with little likelihood of a decline from that level says the latest quarterly economic forecast from the Charterhouse Group.

Rate of price inflation will slow to an average 10 per cent this year and reach single figures in early 1983. Output it expected to grow by less than 1 per cent this year and 2½ per cent in 1983.

Hotel guide fears more closures this year

By Arthur Sandles

IT IS a sign of the troubled times that the latest issue of the Good Hotel Guide suggests that potential customers check before arriving that the property of their choice is still in business.

"We fear there will be more closures again this year," says the Guide. "Inflation and recession have regrettably shown no signs of abating, and hotels almost everywhere in Europe, after many years of prosperity, have continued to face a decline in trade."

The guide, published today, returns to the attack on British prices.

Competition has changed the scene somewhat, it says, but: "While applauding these efforts, we are bound to note that, simply based on the hotels in this guide—admittedly by no means a cross-section of the hotel trade—prices of city hotels in Britain are still higher than those of comparable hotels in the guide in Continental cities."

"This is true of comparable country hotels."

It blames inflation, recent strong value of sterling, high land prices and soaring rates.

"But one major reason why British hotel prices compare so unfavourably with French ones must in part be the tradition in France of family-run establishments, with all the economies that can be achieved when a whole family is involved."

The Good Hotel Guide, 1982, ed. Hilary Rubinstein. The Consumers' Association and Hodder and Stoughton, £7.50.

Coaches and strip clubs cash in on rail strikes

BY LYNTON McLAIN AND MARK WEBSTER

JANUARY was a good month for hotels, road haulage contractors, coach and car rental companies and strip clubs. All have benefited from the past month's rail strikes as commuters have been forced to find alternative transport or spend their nights in town.

It has been a bad time however for the National Coal Board, railway buffets and taxi drivers.

Grand Metropolitan, which has 15 hotels in London, said commuters had increasingly learned to cope with the strike. Although business remained good, there had been a "gentle falling off" from the peak of 98 per cent occupancy at the start of the strike.

Hilton said occupancy rates were up 20 per cent for January by comparison with the previous year, much of which was attributed to the rail strikes.

Hertz, the car rental company, said revenue was up 30 per cent in January compared with the same period last year, about half of which was thanks to the rail strike.

"It's been absolutely wonderful," said Hertz, which reported that the length of hiring had gone up from an average of under three days to nearer five.

Avis Rent-a-Car said the average mileage on car rental had gone up but said that even before the strikes it was already benefiting from the bad weather as crash victims were obliged to rent cars while their own were being repaired.

Taxi drivers have been less happy. The Licensed Taxi Drivers' Association said business had been badly affected by the lack of railway station trade, the fall in the number of shoppers and the increase in road traffic.

"People think we have been making money from the rail strike. It's been the opposite," said the association. "February is normally a quiet month, but it depends on the weather. We're hoping for a bit of rain."

However, the strike has brought a smile to the lips of club owners who have found a captive audience among the business people trapped in town by the strike.

The takings at Paul Raymond's Revue Bar for January were 14 per cent higher than in January last year. "A fair amount of that must be from the rail strike, what with the hotels being full," said Mr Raymond.

On the roads the express motorway coaches and the rising number of commuter coaches have stepped in with vigour to fill the transport gap caused by the rail strike.

National Express, the motorway coach offshoot of the state-owned National Bus Company which the Government plans partially to denationalise, reported at the weekend a 10 per cent increase in total passenger traffic since the rail strikes started on January 13.

"Sundays are our busiest days, and although we are using up the seasonal spare capacity of the winter people will not be left standing for lack of transport," the company said. The company is used to putting on extra relief coaches and is adapting well to the extra demand.

King of the Road Coaches of Worthing, Sussex, is lapping up the extra commuter traffic which would otherwise have been stranded by the rail strike. For £2 return coach commuters can travel the 120-miles round trip from Shoreham, Sussex, to Morden, a south London suburb, for a connection with the London Underground.

The fare for a day return on British Rail is £6.50 for the journey to London. The coach leaves at 6.30 am and gets to London at 8.00 am.

"It has been like a party on the coaches," Mr Mike Tavender, a director of King of the Road Coaches said. "Passengers have been coming to us in trainloads, and all by word of mouth, because with our tight operating margins, we cannot afford to advertise.

"Ray Bucktoo has been the best friend we have had," he said. "The first two days of the rail strike were thin with few extra passengers, then it picked up and has been picking up all the time since then."

Business was now so good and the passengers so pleased to get transport that "it will get to the stage where the coach will soon be stopping at the pub on a Friday night to celebrate," Mr Tavender said.

Grey-Green coaches also reported good business, with 40 of its 105 London-based coaches on charter to banks and business houses in the City. Again, they would normally be in the garage for most of the winter.

Some of the north Kent coach commuters were so pleased with their service that they arranged a party for the coach drivers just before Christmas. "This reflected the very good community spirit of the regular commuter services," said the company.

Passenger volume on the Grey-Green coaches increased by 100-150 per cent in the four weeks of the intermittent rail strikes. The coach drivers are all under firm instructions from the company's management not to treat their passengers as an emergency problem.

In the road haulage sector there was a "noticeable increase in demand" according to National Freight, the state-owned haulage operator and Britain's biggest road transport group.

Inquiry on rail dispute awaited

By Our Labour Staff

STRIKE ACTION halted all British Rail services again yesterday as all sides involved in the train drivers' dispute awaited the publication of the findings by Lord McCarthy's inquiry.

However, it remained unclear last night whether the report will be released today or tomorrow.

A further one-day stoppage is due to go ahead tomorrow while the Associated Society of Locomotive Engineers and Firemen's executive meet to discuss next week's industrial action.

Even if the inquiry report creates a basis for resolving the six-week dispute it is unlikely that any agreement will be reached in time for the union to call off the strikes planned for tomorrow and Thursday.

Response likely

However, while Aslef made clear that it was not prepared to co-operate with the inquiry, the union is expected to be quick to respond if any of the recommendations present a means of bringing about a settlement.

Mr Joe Gormley, president of the National Union of Mineworkers, is to hold talks with leaders of all three rail unions tomorrow to discuss moving anthracite stocks which have built up as a consequence of the rail dispute.

Mr Gormley is concerned that if the strike continues the National Coal Board could be forced to shut down mines and lay off workers.

The British Rail Board is also meeting tomorrow to discuss the dispute.

Times print union warns 'no prospect' of agreement

BY IVO DAWNAY, LABOUR STAFF

A SENIOR print union official said last night that the closing of Times Newspapers may have to go ahead to protect the terms and conditions of other Fleet Street print workers.

Mr John Mitchell, secretary of the London joint branches of the National Society of Operative Printers, Graphical and Media Personnel (Natsopa), said yesterday there was "absolutely no prospect" of reaching agreement on the 600 redundancies demanded by the company by the end of this week.

Mr Mitchell said: "If we allowed for cuts on this scale and it was mirrored in other newspapers it would have worse consequences for our members than if the Times closes.

"We have asked the management to remove the deadline so that we can talk without the threat banging over us, but they have refused. So the next move is up to them."

Mr Mitchell said that Natsopa had made its position clear to the management at meetings last week and no further talks were planned.

With three days to go before Mr Rupert Murdoch's deadline of 10 am on Thursday is reached, the company looks for from achieving the 600 job cuts target.

Several Natsopa chapels (office branches) where most of the redundancies have to be found have voted not to allow members to accept voluntary severance.

The Times National Union of Journalists' chapel, where management wants 35 redundancies, has also made clear its determination to resist wholesale job cuts.

Concern over the Times Newspapers' board's decision to transfer the titles of the two papers to its parent company, News International spread at the weekend.

Yesterday Mr John Smith, the Shadow Trade Secretary, said he would be putting down a Parliamentary question to Mr John Biffen, Trade Secretary, demanding an examination of the move.

On Saturday Sir William Rees-Mogg, the former editor of the Times, said the transfer of the titles was illegal.

On BBC Radio, Sir William said: "It is the responsibility of the Department of Trade to see that this purported transfer is cancelled unless and until the independent national directors had been properly consulted and given their consent by a majority—if they do."

Lord Dacre of Glanton, one of the five independent directors, said yesterday that a meeting of the directors was likely to take place at the end of the week.

Shipbuilding job cuts agreed

BY JOHN LLOYD, LABOUR EDITOR

UNIONS representing about 30,000 workers in British Shipbuilders' naval yards have agreed to redundancies of between 2,500 and 3,000 because of cuts in naval defence expenditure.

It is expected that the big yards of Vickers in Barrow and Vosper in Southampton, will bear the brunt of the cuts, which will be phased over the next four to five years.

The Confederation of Shipbuilding and Engineering Unions, which met British Shipbuilders last week, have accepted that the corporation had little choice but to cut its workforce.

However, keeping the redundancies within the 3,000 limit depends upon the success of the corporation's plan to divert some production in the naval yards to oil-related vessels and to naval ships for export.

But a sharp rise in foreign or oil-related orders could reduce redundancies — though this is considered unlikely due to the depressed state of the world market.

The unions were told that the corporation's merchant shipping side had "never been stronger" since nationalisation five years ago.

Talks on a "Shipbuilding Charter," to achieve stability in the industry's industrial relations, improving productivity and involving the unions more closely in decision-making, are likely to start after the forthcoming pay talks end.

These open on Wednesday in Newcastle, with the confederation presenting its case for a "substantial" rise, with increased holiday allowances and improved conditions. The corporation will respond at the next meeting.

BA service 90% normal at Heathrow

By Our Labour Staff

BRITISH AIRWAYS last night reported that up to 90 per cent of its European and domestic flights to and from Heathrow Airport had escaped disruption yesterday in spite of a strike by 2,000 ramp workers.

Transport and General Workers' Union officials are expected to seek further meetings with BA management today in a bid to resolve the dispute, which centres on the company's attempt to introduce new work schedules as part of the airline's survival plans.

Peace talks broke down on Friday after management refused to accede to demands for a return to former working practices to allow for a period of negotiation. But shop stewards on Saturday decided to lift picketing on Heathrow's long-haul Terminal 3 to allow more time for discussions.

Picketing is continuing at Terminals 1 and 2, but voluntary work by pilots and administrative staff has enabled BA to provide an increasing level of service since the dispute began last Thursday.

Mr Mike le Corneau, chairman of the ramp workers' shop stewards, said yesterday that disruption could escalate soon if the airline fails to negotiate a new contract of employment.

He threatened that if BA failed to honour the existing contract, the dispute could give rise to industrial action at every British airport.

A mass meeting of the ramp workers is due to be held tomorrow to enable shop stewards to report.

Crucial talks start in bid to end dispute at Leyland Vehicles

BY IVO DAWNAY, LABOUR STAFF

CRUCIAL talks which could settle the future of Leyland Vehicles take place in London today in a bid to end the strike by more than 12,000 workers at the BL truck and bus subsidiary.

The talks take place against a background of mounting concern that the parent BL board will decide to close the company with the loss of 60,000 jobs if the three-week dispute is not resolved by the end of the week.

In a letter to the Financial Times last week, Mr David Andrews chairman of the Leyland Group, said that "because of the enormous losses being sustained, the future of the Leyland plants must be decided within the next week."

Union officials representing striking workers at the plants at Bathgate, near Glasgow and at Leyland and Chorley in Lancashire are to present an alternative corporate strategy to management in a bid to halt the company's own restructuring plan which involved the loss of 4,100 jobs.

Union officials yesterday declined to issue details of their alternative survival plan prior to today's talks. However, it is understood that submissions from Bathgate will argue that recent developments in the UK tractor manufacturing industry justify continued production at the plant.

Union officials are expected to ask Leyland Vehicles management to postpone the dismantling of the tractor plant, which was sold to Marshall and Sons, a Lincolnshire-based company, in November, pending the outcome of a Public Accounts Committee report on the sale.

Last night Mr Tam Dalyell, Labour MP for West Lothian who called for the investigation by the public spending watchdog body, said Bathgate workers harboured "grave doubts" over the terms under which the transaction was completed.

Union leaders remain pessimistic that the management are prepared to revoke their plan which includes 1,565 redundancies at Bathgate and 1,655 job losses in Lancashire.

However one negotiator conceded that the Bathgate workforce could agree to a return to work if no resolution to the dispute is found at today's talks.

Bathgate's credibility problem

BRITISH LEYLAND's assurances about the future of its Scottish operations are treated with scepticism at the strike-bound Bathgate truck plant.

There is a deep seated conviction that Leyland has long term intentions of closing down Bathgate and in the light of past unfulfilled expectations British Leyland is finding this conviction hard to shake.

The production of medium weight trucks was scheduled to continue at Bathgate but the state of the market has meant that the production of these trucks will be centralised in the south under the latest plan.

Workers at the Glasgow plant were promised production of the ZF German gearbox under licence but a fall in the value of the pound over the deutschmark put paid to that.

Distrust by the men on the picket line has made the weather-beaten force in front of the Bathgate factory gate appear established.

A tent and a large parked panel truck provide refuge from the winds tearing through the bleak flat waste ground round the plant.

The unions are convinced that Sir Michael Edwardes, BL chairman, accepts that he may have a prolonged strike on his hands.

Although allied to a division-wide strike with colleagues in Chorley and Leyland to the south, Bathgate has its special grievances and worries. Its future is far less certain than that of Leyland plants to the south, the workforce says.

There are few political overtones to the Scottish strike. It has more of a community feel to it. Workers are bitter that the planned 1,360 redundancies at Leyland coincide with a threat to close Plessey's Bathgate factory, with the loss of 330 jobs.

Although they are a determined strike force, the Bathgate workers have a record for moderation. Under Mr Jimmy Swan, their convener, they show a readiness to discuss the restructuring plan with Leyland, but they will also be presenting their own flexible alternative

Mark Meredith looks at the obstacles in Leyland's path as it searches for a Scottish peace formula.

programme to the company designed to keep the present product range of trucks and tractors.

Leyland wants to move production of small and medium weight trucks from Bathgate to the south. Bathgate is to produce two large trucks for the export market and become the main truck engine centre for the corporation. The change involves the closure and sale of the tractor production facility and 1,360 redundancies.

Leyland claims that about 1,000 men have accepted redundancies, especially tractor workers who were offered enhanced terms because production was ending.

The unions argue that producing the big Landtrain and Landmaster trucks means that as Third World importing countries increase their industrial capacity, Bathgate will be reduced to producing trucks in kit form only.

Leyland argues that more work content goes into the "knock-down" kit for a big truck than into a fully assembled medium weight truck and the unions say that the much lower volume of big trucks produced will eventually mean fewer men on the production line.

Leyland's proposal for Bathgate to be the production centre for a new "world" engine, part of a collaborative venture with another company — possibly Cummins — has not convinced the men at Bathgate.

Production of the new engine would only start in 1986 by which time Bathgate would have been reduced to its two export trucks and the centralised production of what the work force consider a "geriatric" 98 series engine.

However, the management and unions may find that some line for compromise lies in the timing involved in the restructuring.

The Bathgate unions have indicated that they are willing to economise by scaling down production to meet the fall in demand for tractors.

Union protest ends at Shell refinery

BY OUR LABOUR STAFF

WORKERS AT Shell UK's largest oil refinery voted yesterday to end their dispute over local allowances after a management warning that it would close the plant today if agreement was not reached.

Members of the Transport and General Workers' Union voted at a mass meeting, at Stanlow Refinery in Cheshire by a margin of 11 to one to accept an 8 per cent rise in locally negotiated payments.

About 1,500 workers have been carrying out sanctions against the company since February 1 in a bid to raise the offer, which is paid for dirty working, holiday interruptions and working at heights.

Employees at all Shell's four UK refineries had already agreed an 8 per cent national pay increase in December.

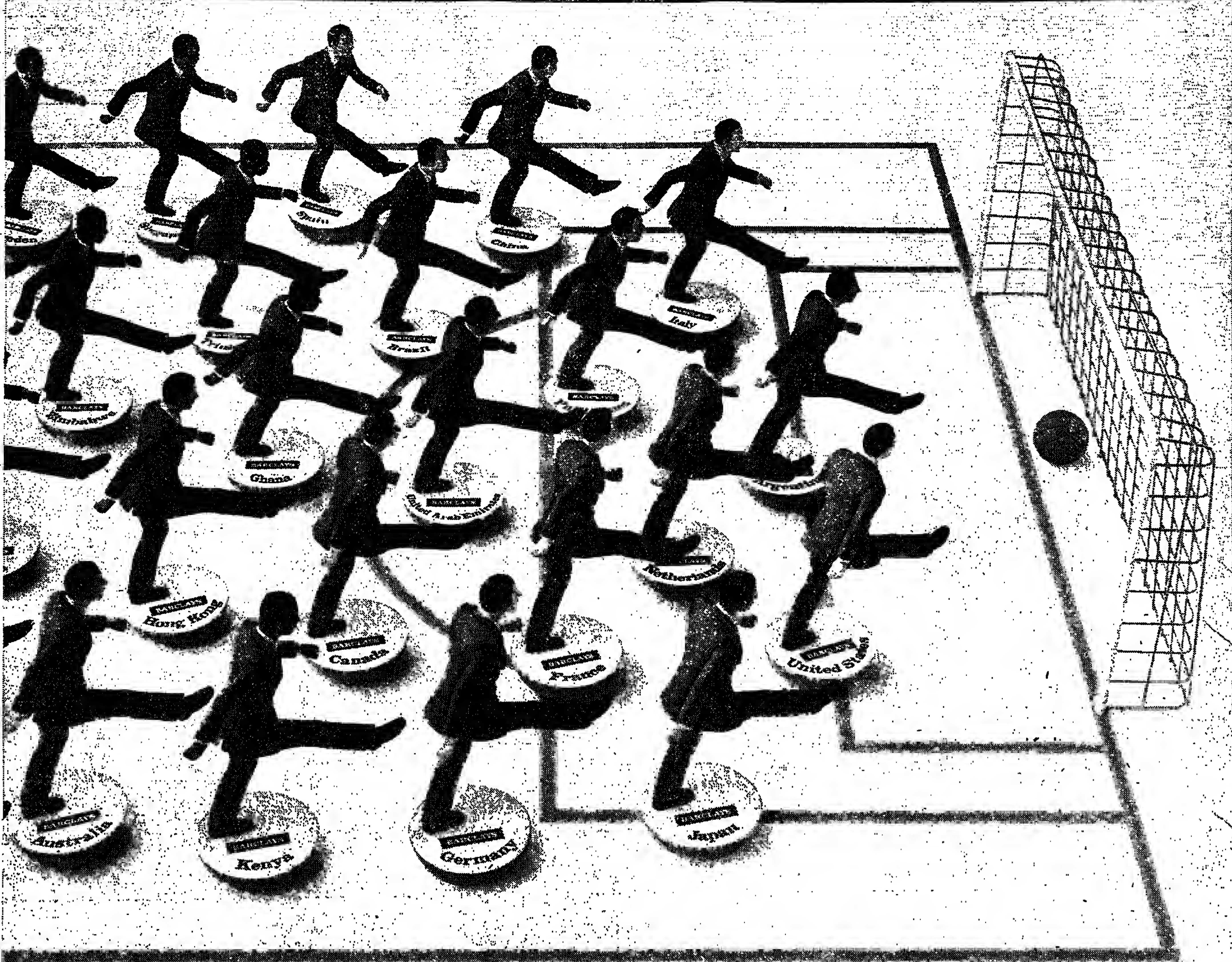
Under yesterday's settlement, management have undertaken to lift the suspension order on the 1,500 staff in dispute and guarantee that no disciplinary action will be taken against those involved in the dispute.

The company has also agreed to pay in March a 3 per cent rise on basic rates negotiated two years ago in return for full co-operation of the workforce.

The refinery, which was 90 per cent closed yesterday, should be restored to full production in about 10 days' time.

as a joint venture between the agency and the *Greater London Council*, will be stepped up in 1982 to include evening clinics as well as one-day conferences.

TACTICS FOR EXPORT GOALS.



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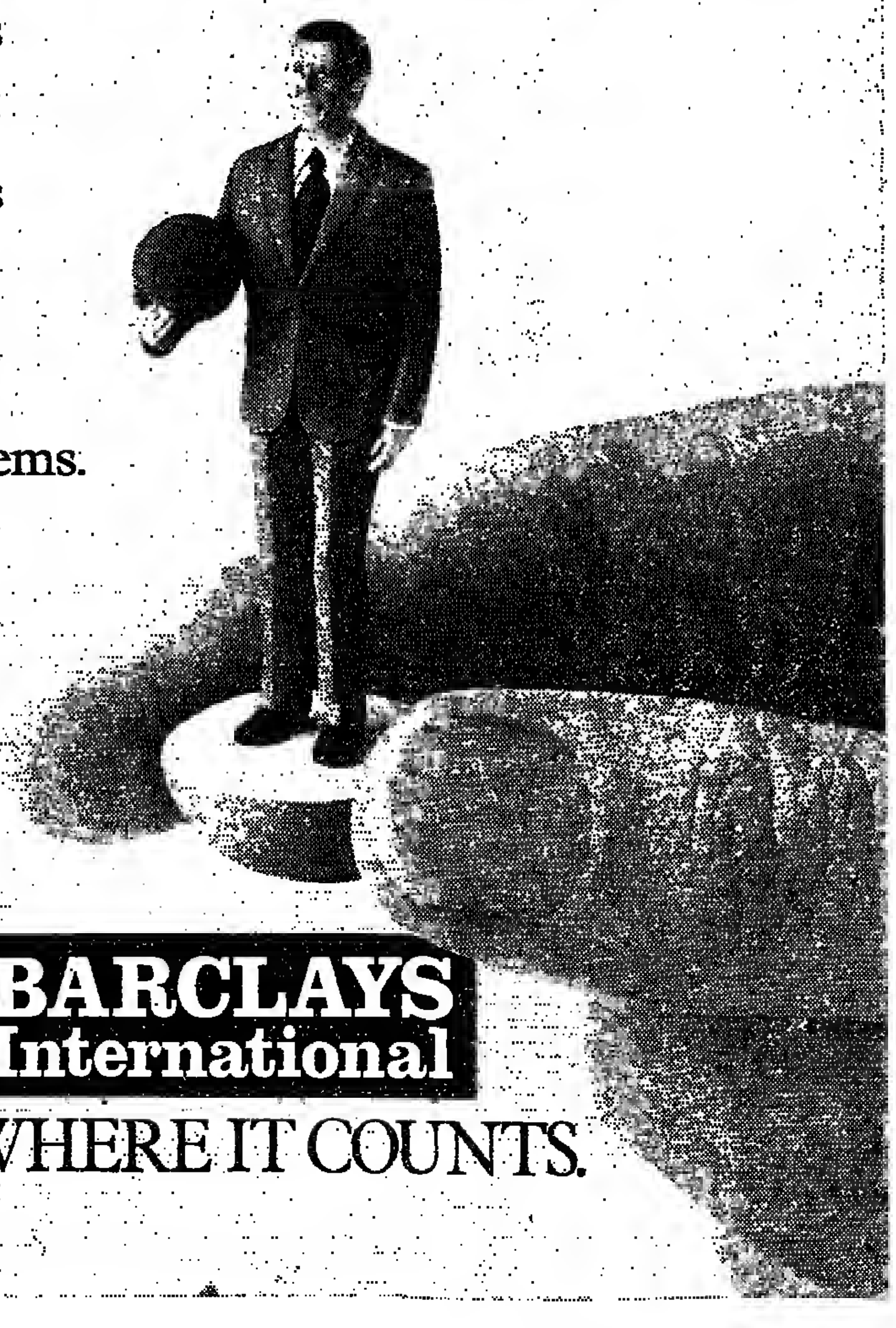


BARCLAYS International

PEOPLE WHERE IT COUNTS.

TECHNOLOGY

EDITED BY ALAN CANE

Star offers cheap power from the Sun

BY MARK NEWHAM

SOLAR power technologies could soon supersede nuclear reactors as the source of the world's cheapest electricity, if the claims of a little-known U.S. company live up to expectations.

The company — Solar Technology Associated Research (STAR) of Aurora, New York State—has announced details of an innovative process to make solar photovoltaic cells capable of generating electricity directly from the sun's rays at 70 cents a watt.

If STAR's claims are substantiated, the company will already have met the U.S. energy department's goal to reduce photovoltaic cell prices to the 70 cent a watt level by 1990. And from reports circulating in the U.S. solar industry, STAR's confidence in its product appears well-founded.

Cost reduction

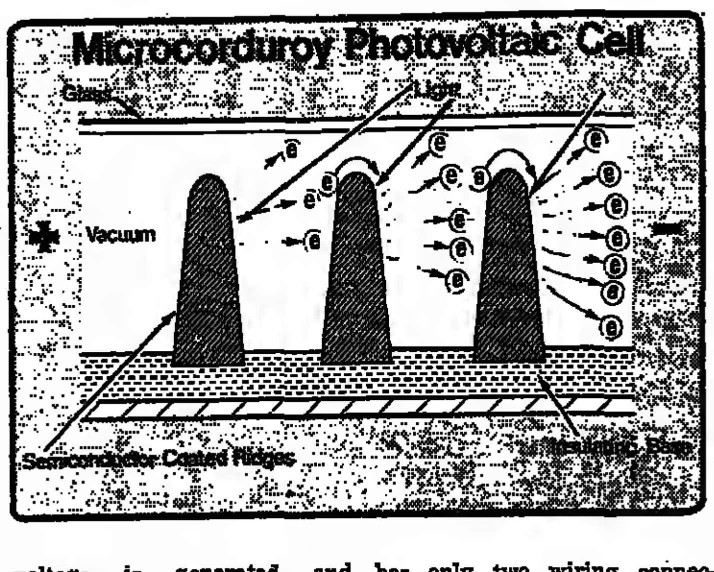
STAR has achieved the cost reduction (most presently-available photovoltaic cells cost about $10 a watt) by incorporating a unique yet simple cell design which raises the solar insulation to electrical production conversion efficiency above the 30 per cent level (about 10 per cent greater than any other cell so far developed) and by designing the cell for easy mass-production.

The company calls the cell a "micro-corduroy, thin film" cell which can be made from either polycrystalline silicon or gallium arsenide. In cross-section, the cell lives up to its micro-corduroy description in that it is composed of a series of ridges and valleys. Up to 60 peaks and troughs are contained in every cell inch.

The topography can be etched or pressed on to a thin glass base, made by Corning Glass, and each ridge slope is coated with semiconductor material giving them alternately cathode or anode characteristics. The base of each valley remains free of semiconductor to isolate each cathode from its adjacent anode.

Each cell is then encased in a *vacuum* and exposed to sunlight. Photons in solar radiation reaching the cell are converted to electrons by the cathode semiconductors and a stream of electrons leap the valleys to be collected by the anodes.

The electrons pass over the ridge peaks to the next cathode to be ejected to the next anode. In this way a cumulative electron flow develops and a continuous and increasing voltage is generated and collected by the current outflow busbar.



By encasing the cell in a vacuum, STAR technicians have developed a cell capable of forcing stray electrons back to the anodes. Electrons striking the underside of the coverplate give the plate a negative charge which repels further electrons and prevents current leakage.

Current loss is also minimised by reducing connections between cells. Each STAR cell has only two wiring connections at the current outflow and earth busbars—significantly less than earlier cells each no bigger than two inches in diameter, sawn individually from single crystals of silicon and wired together to form a photovoltaic array.

The STAR approach is to grow a single cell up to one metre square with just the two connections.

Since the cell has built-in current accumulation qualities, voltage is directly proportional to cell size. As a result, cells can be tailor-made to suit individual generating needs—a flexibility which represents a sizahle advantage over other photovoltaic arrays encapsulated into standard output modules.

So far, STAR has produced only laboratory test cells with six inch diameters, but computer analysis predicts that virtually nothing restricts the ultimate size of the cells once they go into mass-production.

Before the company reaches that stage, however, STAR's research director, Bernard Addis, has one last hurdle to clear. He wants to raise conversion efficiencies further and is working on a method to coat the cells with gesium oxide to help the cells convert both *ultraviolet* and infra-red ranges of the light spectrum, in addition to the visible range, to electricity.

Once this cesiation deposition process is perfected, nothing, STAR believes, stands in the way of the cell achieving its predicted efficiencies.

The confidence is shared by Richard Campbell, a senior research scientist at the Pacific Northwest Laboratories of research group, Battelle. Having carefully analysed the cell, Campbell is particularly enthusiastic about the absence of wiring connections. These, he says, are the main source of current losses—losses which the STAR cell virtually eliminates.

Japan's interest

Evidence of Battelle's enthusiasm for the product *is illustrated* by the group's move to negotiate construction of an automatic cell production line with STAR. "If the cesiated cells live up to expectations," says Campbell, "the next step is to tool up a line to produce cell arrays in volume."

Meanwhile, STAR's founder, David Abbott, has opened discussions with a number of companies interested in acquiring cell production licences.

Abbott reports major interest from Japan and is negotiating terms with the U.S. division of Japanese trading group, Marubeni.

Marubeni has followed the progress of the STAR cell closely and considers the technology almost ready for the open market. If STAR and Marubeni agree on a contract, Marubeni could become the sole licensee for the technology in Asia.

STAR intends to license a number of overseas companies to manufacture the cell abroad rather than build up an export production capacity at its U.S. facilities. With this in mind, Abbott has taken out patents on the cell in the UK, Belgium, Canada, France, Italy, West Germany, the Netherlands and *Brazil and is seeking European* partners to commercialise the technology in their respective markets.

Those markets could be considerable, he adds, since the arrays could prove ideal for the residential sector. STAR arrays, he says, will generate three times as much power from an array a third the size of presently-available photovoltaic arrays.

If the cell's performance lives up to these grandiose claims, Abbott will undoubtedly be fully satisfied with his investment in a technology originated at Cornell University in 1976 and developed without any financial support from the U.S. Government or from the oil companies—an unusual development pattern in an industry dominated by the multinationals and federal support grants.

Monitors for the small PABX

ALTHOUGH telephone monitoring systems came on to the market in the early 70s they were aimed at keeping an overall check on the many instruments connected to big PABXs. Users of individual telephones or small PABXs were not well served.

Recently, however, Interscan Communications Systems of Slough (0753 70821) has decided to go after the rapidly increasing number of Monarch under-100 line exchanges now being installed by British Telecom at a rate believed to be in excess of 250 per month.

Known as Telaccounter TCMS, the unit needs no special interface and plugs directly into the exchanges's V24 port. Details of time, duration, origin and destination of telephone traffic are recorded automatically on inexpensive floppy discs. On command, the system assigns accurate costs to each call and provides summaries for budgetary control of telephone activity by date time, department, extension, account, call duration, number called and any other pre-selected criteria.

For the individual telephone line, Ansafone of Camberley, Surrey, has introduced Telcost. This is a compact unit measuring only 8½ x 8 x 3½ in containing keyboard, four-digit display and a small ticket-roll printer. It should be particularly useful where professionals such as solicitors and accountants have to allocate call charges to individual clients or projects.

The display shows either the time of day or, if a call is in progress, the mounting cost. If call charges go up, the keyboard is used to re-program the machine.

A built-in printer automatically records the date, time, number dialled, duration and total cost of each call. The machine also provides a security print-out at midnight, with a summary of the day's calls, the number of units and the cumulative cost.

Ansafone says that the machine is virtually tamper-proof because a print-out will always reveal if anything has been interfered with. More on 01-404 0202.

What happened when the Shin Aitoku Maru unfurled her sails

BY ANDREW FISHER, SHIPPING CORRESPONDENT

WITH HER two smoothly curved computer-operated sails, the Shin Aitoku Maru may not be everyone's idea of the cargo ship of the future.

But this curious looking tanker has achieved sizeable fuel savings and performed sturdily in rough weather after more than a year in operation, its owners have now reported.

The 1,600 deadweight tonne tanker was the world's first to use sails as an additional propulsive force to the main engine. The two sets of sails are made of steel frames and canvas.

Including hull improvements, the application of a slow revolution large diameter propeller, a high-efficiency main engine, use of exhaust heat, and the computerised sails, fuel savings of as much as 50 per cent have been obtained.

The average saving produced from the sails alone averages around 10 per cent, depending on the wind. The ship has a crew of ten people and a service speed of 12 knots from the main diesel engine.

Some Y45m (over £100,000) has been saved on fuel, said Mr Yoshinori Fujiwara, president of Aitoku Company which owns the controversial Japanese ship.

Even in strong winds and heavy seas in the China Sea, he added, she had no trouble. Its designers, the Nippon Kokan (NKK) shipbuilding and steel group, are now working on other types of vessels using sails.

The views of Mr Fujiwara and others connected with the Shin Aitoku Maru—built at the Imamura yard—were reported in the latest issue of Sea-Japan, published regularly by the Japan Ship Exporters' Association.

It said that NKK had started work on plans for a new 35,000 dead weight tonne sail-equipped bulk carrier which would have a sail area of 3,400 square metres and be a large step up from the small Shin Aitoku Maru.

NKK has four main aims in mind on this new development project:

- To cut the cost of the sails and linked equipment.
- To develop larger sails.
- To work out the optimum arrangement of the sails and cranes.
- And to achieve power gains of 10 to 15 per cent.

The group has also, according to Sea-Japan, had inquiries from domestic and foreign shipowners for sail-equipped passenger ships, car ferries, chemical tankers, roll-on/roll-off cargo ships, and refrigerated carriers.

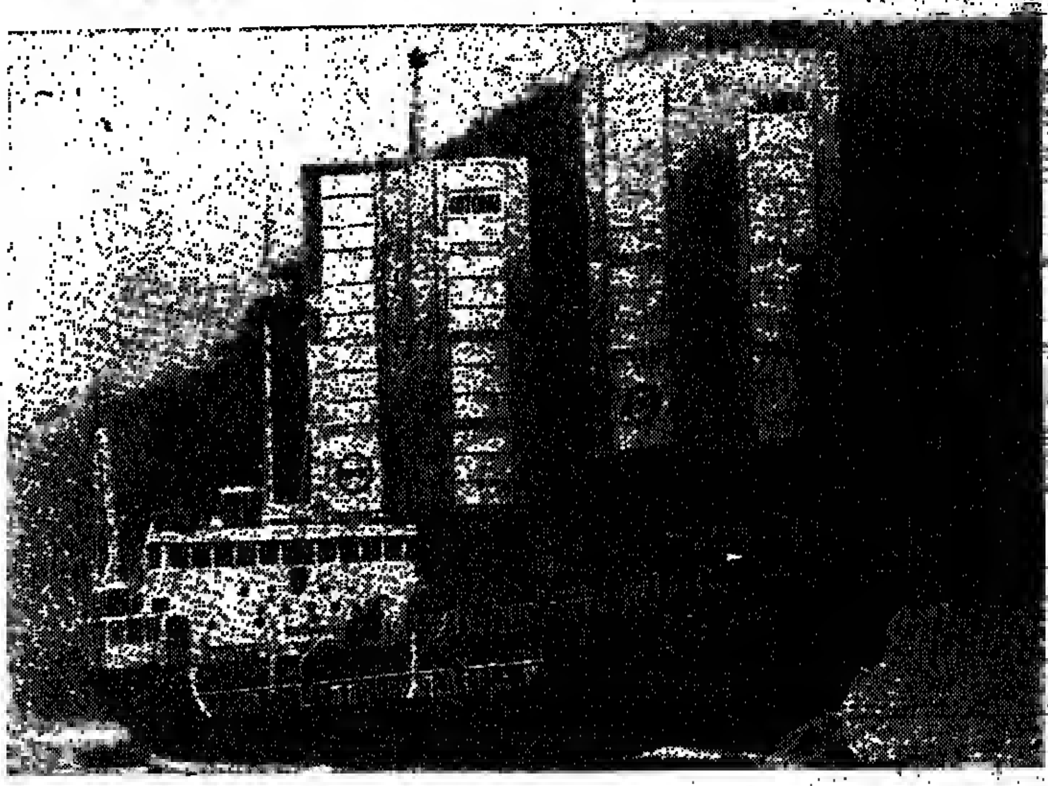
Mr Noboru Hamada, president to the Japan Marine Machinery Development Association (JAMDA), admitted that when he first brought up the idea of the sail-equipped ship, "the reaction of the industries concerned was generally not to pursue it too far."

The performance data after over a year in service, he added, "show results far beyond my expectations." Her rolling and pitching in rough seas was fairly small, whether moving into or with the wind.

When she ran into a typhoon near Taiwan last June, with winds of up to 30 metres a second and waves of six to 10 metres, the heeling range was never more than 2.5 degrees.

The ship also managed to maintain headway in these conditions at slow speed.

As for fuel consumption, this averaged 129.4 litres an hour or 11.72 litres per mile over a 20-day period last April covering 3,665 miles. This was at an average speed of 11.04 knots with main engine output of 533 horsepower.



The Shin Aitoku Maru at sea with sails in position; her owners claim sizeable fuel savings and sturdy performance after more than a year in operation.

FINANCIAL TIMES

Eurobond Quotations and Yields

The Association of International Bond Dealers

at 31st January 1982

The Association of International Bond Dealers (AIBD) compiles current market quotations and *yields for Eurobond issues.*

These quotations and yields are published monthly by the Financial Times. The Association's prices and yields are compiled from quotations obtained from market-makers on the last working day of each month.

There is no single stock exchange for Eurobonds in the usually recognised sense—secondary market trading business is done on the telephone between dealers scattered across the world's major financial centres.

Membership of the AIBD (which was established in 1969) *comprises over 550 institutions* from about 30 countries.

Eurobonds in January

BY OUR EUROMARKETS STAFF

THE MOST prominent feature of the Eurodollar bond market in January was undoubtedly the popularity of zero-rated coupon issues.

A sudden rush started in the second week, with seven zero coupons on offer for major U.S. companies.

Salomon Bros. led the way with a nominal $250m issue for General Motors Acceptance Corporation (GMAC), which was closely followed by similar large *amounts for* Arco, Pepsico, Wells Fargo, Caterpillar Tractor, Beneficial Overseas Finance, and then a second issue in the same week for GMAC, this time for $150m.

Despite fears that the market would not be able to absorb all the zero coupon paper, 12 more new zero coupon issues were launched during the rest of the month. A $300m zero bond for Sears Roebuck, through Daiwa Securities, was increased shortly after its issue to $400m, and Gaz de France became the *first* non-*U.S.* borrower to launch a zero coupon bond, with Credit Commercial de France as the lead manager.

Altogether, the total face value of these issues was around $5bn, giving an actual amount to be raised of $1.4bn.

The reason for the popularity of such paper is not hard to find. A zero coupon issue is priced at a deep discount because no annual interest is paid.

This guarantees a large capital gain and makes such a bond an attractive proposition for those investors who are thereby able to reduce income tax obligations.

Much of the paper appears to have been placed outside Europe, most notably in Japan, where the tax laws make them particularly attractive at the moment.

Zero coupons were not the *only novel feature* to hit the bond market in January. At the beginning of the month Japanese borrowers began to return to the Eurodollar sector in large numbers, especially with convertibles.

But there was now also a fashion for a new kind of issue for Japanese companies in this market. This was the bond with detachable warrants to purchase equity.

Mitsubishi Chemical was the first in the field to present such an offer, through its lead managers Morgan Stanley and Yamaichi. Following the success of this, another $50m bond with warrants was launched for C. Itoh through Nikko Securities and Morgan Guaranty.

Later in the month a similar $50m issue was announced for Toray Industries, the synthetic *fibres and chemicals group,* by lead managers S. G. Warburg and Nomura.

An unusual issue bearing warrants also appeared in this sector. This was for Swedish Export Credit, and was arranged by Morgan Guaranty and Morgan Stanley. The issue, launched on January 20, was a $75m floating rate note combined with free standing warrants to purchase $112.5m of eight-year bonds at 4¾ per cent.

Zero coupon offers and Japanese convertibles so dominated the primary Eurodollar market during the first half of the month that it was only when CSFB announced the $50m 16¼ per cent seven-year issue for Arizona Public Service on January 18 that the market received its first fixed-interest non-convertible issue of the year.

The demand for such high coupon paper was obviously there, however, and the amount was soon increased to $60m and then again to $75m.

The volume of Canadian Dollar issues, which had been large in December, again continued at a high level in January.

With their high coupons they attracted considerable interest, but by the second week of the month there were signs that the market was becoming saturated.

As a result one issue, a C$50m 16½ per cent bond for Canadian Pacific Enterprises, was withdrawn.

In the D-Mark foreign bond sector the DM 185m issue for the European Coal and Steel Community, which appeared in the December calendar, finally emerged in the first week of January, through Deutsche Bank.

The new calendar, set on January 11, although not as large a volume as the record set for the December through to January period, still included over DM 1bn of new paper for the month.

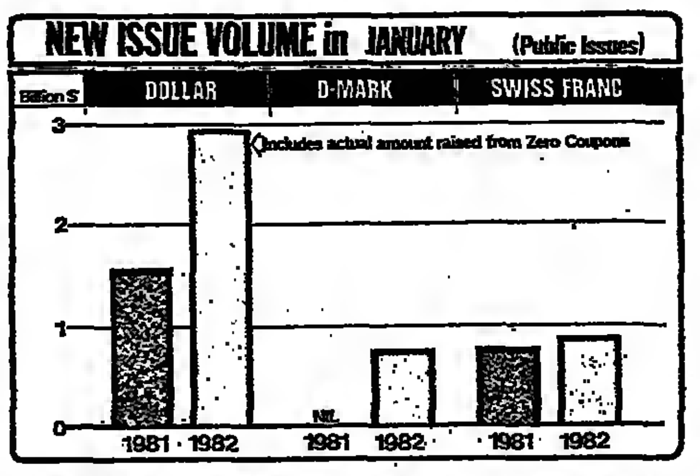
As in the Eurodollar sector, a large number of Japanese borrowers also appeared in the Swiss franc foreign bond market, mainly as private placement convertible issues.

Towards the end of the month so many of these issues had been launched in this sector that there was a growing concern that a similar fate could befall them here as had happened in the dollar market last year. At that time saturation of the market led to a slump in prices, followed by the absence of Japanese convertibles altogether for some time.

In the secondary markets, prices of fixed interest Eurodollar, D-mark and Swiss franc issues drifted during the first half of the month as traders sought a new level for the beginning of the year.

Six-month Eurodollar interest rates rose by ⅜ per cent during the month, while both the D-Mark and Swiss franc six-month rates fell by 1/16 per cent. Despite this variation, prices in all three sectors, while fluctuating on a daily and even weekly basis, were, at the month's end, generally unchanged.

NEW ISSUE VOLUME in JANUARY (Public Issues)



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The table of quotations and yields gives the latest rates available on January 31, 1982. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members will take in all the listed Eurobonds and the Association, its members and the Financial Times Limited do not accept any responsibility for errors in the table.

COMPILED FOR THE ASSOCIATION OF INTERNATIONAL BOND DEALERS BY DATASTREAM INTERNATIONAL LTD

Issued Amt. Ots (Mn)	Year of issue/ Issue price	Borrower/ Coupon maturity	Price	Yield to maturity/ to avge life	Current yield
		US DOLLARS-ALGERIA			
25 9.4	1972 98.00	BQUE EXT D'ALGERIE, 8.75 1/ 8/1984	88	19.47 26.26	10.94
25	1977 100.00	BQUE EXT D'ALGERIE 9.00 15/ 8/1982	95	19.11	9.47
		US DOLLARS-ARGENTINA			
50	1979 98.50	ARGENTINE REPUBLIC 9.875 1/ 8/1984	83 1/4	18.74	11.86
		US DOLLARS-AUSTRALIA			
30 2.5	1963 97.50	AUSTRALIA,COMMONWEALTH 5.00 1/ 4/1983 S	91 1/2	13.46 19.92	5.54
30 .8	1982 97.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1961 S	96 3/4	14.12	5.77
25 1.4	1962 96.00	AUSTRALIA,COMMONWEALTH 5.50 1/10/1982 S	94 3/4	14.40 19.73	5.89
25 9.8	1965 98.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 5/1985 S	84	11.86 17.00	6.65
25 3.8	1965 99.79	AUSTRALIA,COMMONWEALTH 5.75 1/11/1985 S	83	11.76 15.40	7.05
25 6.2	1967 97.50	AUSTRALIA,COMMONWEALTH 6.50 15/ 6/1982	97 1/4	16.19	6.68
100	1977 100.00	AUSTRALIA,COMMONWEALTH 7.50 1/ 9/1984	85 1/8	14.76	8.81
350	1976 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/ 4/1982	98 3/8	17.79	8.13
125	1976 99.88	AUSTRALIA,COMMONWEALTH 8.115 15/11/1983 S	90 1/8	14.99	9.21
120	1978 100.00	AUSTRALIA,COMMONWEALTH 6.25 1/10/1965	91	14.61	9.07
[illegible]					

Issued Amt. Ots (Mn)	Year of issue/ Issue price	Borrower/ Coupon maturity	Price	Yield to maturity/ to avge life	Current yield
		US DOLLARS-AUSTRALIA (CONTINUED)			
15 10.5	1975 99.00	WESTERN MINING CORP 9.75 1/ 5/1982	98 1/4	18[illegible]	[illegible]
50	1981* 99.25	WMC FIN 15.50 15/12/1988	96 7/8	18[illegible]	[illegible]
		US DOLLARS-AUSTRIA			
18 1.6	1964 99.00	AUSTRIA,REPUBLIC OF 0.00 31/ 1/1984 S	95	16[illegible] 14[illegible]	[illegible]
23 1.2	1967 98.50	AUSTRIA,REPUBLIC OF 6.75 15/ 1/1982 S	97	34[illegible]	[illegible]
50	1977 100.00	AUSTRIA,REPUBLIC OF 7.60 15/ 7/1984 S	86 1/4	25[illegible]	[illegible]
50 50.0	1977 100.00	AUSTRIA,REPUBLIC OF 8.625 15/ 7/1992 S	89 7/8	14[illegible] 17[illegible]	[illegible]
50 57.0	1976 100.00	AUSTRIA,REPUBLIC OF 8.75 15/ 6/1990	75 1/4	11[illegible] 15[illegible]	[illegible]
30	1975 100.00	AUSTRIA,REPUBLIC OF 9.00 15/ 7/1982 S	97 7/8	16[illegible]	[illegible]
12 4.2	1965 97.00	ALPINE MONTAN STEEL 5.75 15/ 6/1985	84 3/4	11[illegible] 15[illegible]	[illegible]
15 4.5	1966 96.50	AUSTRIAN ELECTRICITY 6.625 1/ 7/1968 S	97 3/8	7[illegible] 7[illegible]	[illegible]
18 1.4	1967 96.50	AUSTRIAN ELECTRICITY 6.75 1/10/1982 S	97 1/2	10[illegible]	[illegible]
50	1979 100.56	OSTERREICHE KONTROLLBANK 7.50 1/10/1982	95 1/8	15[illegible]	[illegible]
150	1980 98.50	OSTERREICHE KONTROLLBANK 10.00 15/ 7/1985	86 3/8	15[illegible]	[illegible]
30 30.0	1977 100.56	TAUERNKRAFTWERKE 8.25 15/ 3/1987	79 3/8	14[illegible] 16[illegible]	[illegible]
[illegible]					

[illegible]

Amount issued / Est. 1st date	Year of issue / Issue price	Borrower / Coupon maturity	Price	Yield to maturity / to avge. life	Current yield
		US DOLLARS—SWEDEN (CONTINUED)			
25	1976 100.00	NO UCR DONSJO 8.00 15/10/1986	75 1/2	17.70	13.24
25	1976 500.00	NO OCR DONSJO 8.50 15/ 2/1505	89 7/8	21.26	10.57
50	1981* 100.00	OSKARSHAMNS KRAFT [illegible] 12.75 1/12/1987	87 3/4	16.15	16.17
30	1977 99.25	SAAB-SCANIA 8.30 15/ 5/1989	67 1/5	18.39	12.99
15 9.0	1971 98.00	SANDVIK 5.00 1/ 8/1986	81	25.50 18.51	11.45
30 22.5	1976 100.50	SANDVIK 8.50 15/ 6/1986	81 5/8	15.05 10.76	11.67
30 22.8	1972 100.25	SCANRAFT 7.50 15/12/1990	84 1/2	14.07 17.30	11.65
30 24.5	1975 99.75	SCANRAFT 8.625 15/11/1988	75 5/8	19.19 16.01	11.79
40 32.5	1976 200.00	SKANDINAVISKA ENSKILDA 9.00 1/12/1991	87 7/8	13.57 15.06	15.26
50 21.0	1977 200.50	SKF 8.00 15/ 1/1987	74 3/4	12.60 17.32	10.70
00 17.0	1976 99.50	SODRA SKOGSAGARNA 9.50 15/15/1986	73 1/2	17.31 21.30	12.50
20 8.9	1976 99.50	SPARBANKERNAS BANK 8.75 1/ 9/1983	91 3/8	14.94 17.59	8.55
50 18.5	1977 100.00	SPARBANKERNAS BANK 8.75 15/ 1/1988	77 1/2	14.46 17.92	11.25
40	1977 100.50	STATSFORETAG 7.75 1/ 2/1982	98 1/2		7.87
50	1981* 99.25	STATSFORETAG 15.75 15/ 1/1987	94 9/8	18.16	19.97

Amount issued / Est. 1st date	Year of issue / Issue price	Borrower / Coupon maturity	Price
		US DOLLARS—UTD KINGDOM (CONTINUED)	
50 15.0	1911 100.00	BARCLAYS BANK INT 8.25 1/15/1986	77 7/8
30 30.8	1976 100.00	BARCLAYS BANK INT 9.125 1/ 4/1985	82 1/2
25 25.0	1978 100.00	BARCLAYS BANK INT 8.125 15/ 4/1987	76 1/2
50	1979 100.00	BARCLAYS BANK INT 9.25 1/ 7/1985	96 7/8
700	1977 100.00	BARCLAYS O/S INV 8.30 15/ 9/1501	89
45 26.0	1971 100.00	BEECHAM INT 8.53 1/ 2/1986	91 1/2
50 48.8	1917 100.00	BOWATER CORP 8.25 15/ 5/1987	88 5/4
00	1918 100.00	BOWATER CORP 9.75 15/ 7/1986	79 1/2
18 9.6	1973 99.00	BRITISH LAND 8.00 1/11/1987	73 1/2
50	1980 98.30	BRITISH OXYGEN FIN 18.79 15/ 7/1990	75 3/8
48 65.0	1977 100.00	BRITISH SHIPBUILDERS 9.00 1/11/1992	61
30 40.0	1974 99.00	BRITISH STEEL CORP 8.825 15/ 1/1989	76 1/8
30 26.0	1973 100.00	CADBURY SCHWEPPES O/S 7.75 15/10/1990	99 7/2
25 8.7	1973 98.30	CAPITAL & COUNTIES PROP 9.00 1/11/1988	74
50 44.0	1977 99.50	CAVENHAM INTL BV 9.50 15/12/1987	73 5/8

US DOLLARS—FLOATING RATE (CONTINUED)

Amount / Amount outstanding	Year of issue / Issue price	Borrower / Coupon Maturity	Price	Current yield
50	1979 / 100.00	LONG TERM CRED 5.5:1/4 / 13.063 7/ 8/1989 S	99 1/8	13.18
30	1981* / 100.00	LONG TERM CRD * 5.5:1/4 / 15.313 16/ 7/1984 S	99 5/4	15.35
100	1979 / 100.00	MAN HAN O/S CAP 5.25:1/8 / 12.95 30/ 3/1994 Q	99 1/2	12.31
100	1981* / 100.00	MERRILL LYNCH O/S 5.5 / 12.515 3/12/1984 Q	99 1/8	12.42
100	1981* / 99.15	MERR LYNCH O/S 254 1/8 / 15.00 1/ 5/1987 Q	100	15.05
50	1976 / 100.00	MIDLAND BANK 7.5:1/4 / 19.125 18/ 6/1985 S	100 1/8	19.08
50	1975 / 100.00	MIDLAND BANK 5:1/4 / 13.438 13/11/1982 S	99 3/4	13.47
50	1977 / 100.00	MIDLAND INT 916 6:1/4 / 15.043 18/ 5/1987 S	99 5/8	15.11
525	1979 / 100.00	MIDLAND INT FIN 5:1/4 / 13.063 30/12/1989 S	99 7/8	19.08
150	1981* / 100.00	MIDLAND INT FIN 9:1/8 / 17.001 30/ 4/1991 S	99 7/8	27.98
150	1980 / 100.00	MIDLAND INT FIN 5.25:1/4 / 13.688 9/ 9/1992 S	99 1/8	33.81
125	1978 / 100.00	MIDLAND INT FIN 5.5:1/4 / 15.688 20/ 7/1993 S	99 3/4	35.75
75	1981* / 100.00	MIDLAND 889 * 5.25:1/4 / 15.825 26/ 7/1996 S	99 1/8	15.76
25	1979 / 100.00	MULTI COMMERZ 5.5:1/4 / 14.50 19/12/1984 S	99 1/4	14.76
100	1979 / 100.00	NACIONAL FIN 6.25:1/4 / 14.313 25/ 7/1986 S	99 1/4	14.60
100	1981* / 100.00	NACIONAL FIN 3.5:1/4 / 15.188 24/ 5/1986 S	97	25.66
121	1981* / 100.00	NACIONAL FIN 991 3.5:1/4 / 17.313 79/ 9/1988 S	97 1/2	19.79
118	1981* / 100.00	NACIONAL FIN 884/87 1/4 / 15.819 3/11/1950 S	99 1/8	15.89
100	1977 / 100.00	NACIONAL FIN 883121 4:1 / 15.875 9/ 1/1993 S	101	15.72
50	1981* / 100.00	NAT BK CANADA * 3.25:1/4 / 17.313 26/ 3/1988 S	99 1/8	17.33
199	1978 / 100.00	NATIONAL WEST 3.5:1/4 / 13.179 91/ 6/1990 S	99 3/4	18.16
175	1981* / 100.00	NATIONAL WEST * 5.25:1/8 / 15.188 15/ 7/1991 S	99 3/8	13.28
300	1989 / 100.00	NATIONAL WEST * 3.21:1/4 / 17.00 23/10/1992 S	99 7/8	17.02
100	1979 / 100.00	NATIONAL WEST * 1.75:1/4 / 18.613 11/ 4/1994 S	99 3/4	79.07
100	1979 / 100.00	NATIONAL TEL * 3.25:1/4 / 16.79 16/10/1986 S	100	16.79
30	1980 / 100.00	NEDLLOYD FIN 1.1:1/4 / 13.123 4/12/1988 Q	99 3/8	15.32
25 / 25.0	1981* / 100.00	NEDLLOYD BBS 5.5:1/4 / 72.813 10/12/1993 Q	97 1/2	13.14
20	1978 / 100.00	NIPPON CREDIT 5.75:1/4 / 18.688 15/ 3/1983 S	100 1/2	18.99
30	1978 / 100.00	NIPPON CREDIT BK 3.5:1/4 / 19.188 22/12/1985 S	100 3/8	15.08
50	1979 / 100.00	NIPPON CREDIT BK 6.5:1/8 / 13.373 12/ 7/1986 S	99 5/8	15.43
50	1980 / 100.00	NIPPON CREDIT 5.25:1/4 / 11.99 4/ 2/1997 Q	100	15.50
30	1980 / 100.00	NIPPON CREDIT 5.25:1/4 / 13.561 11/12/1988 S	99 1/4	11.46
80	1981* / 100.00	NORDIC INT FIN* 5.5:1/4 / 15.525 6/11/1991 S	99 7/8	13.88
200 / 100.0	1979 / 100.00	OFFSHORE MINING* 1/4 / 13.79 10/ 7/1986 S	99 7/8	13.27
230 / 150.0	1981* / 100.00	OFFSHORE MIN * 5.25:1/4 / 13.00 2/12/1991 S	98 1/2	13.20
75	1981* / 100.00	OSTERREICHE KDB 5.15:1/8 / 13.173 18/ 5/1995 S	99 1/2	11.44
79	1981* / 100.00	OSTERR VOLKSBK 3.25:1/4 / 18.50 4/11/1989 S	99 1/8	14.65
100	1979 / 100.00	PETROLEOS MEXICANO 7:1/4 / 15.25 26/ 1/1984 S	99 1/2	16.35
100	1981* / 100.00	PETROMEX EVI-3 5.25:1/4 / 18.811 14/ 8/1988 S	97 3/4	19.25
115	1981* / 100.00	PETROLEOS MEX 888 6:1/4 / 17.00 8/ 4/1991 S	97 1/2	17.44
100	1979 / 100.00	PHILIPPINES,REP 8.5:1/4 / 18.811 18/10/1986 S	97 1/2	17.24
20	1979 / 100.00	PICA 7:1/8 / 19.688 8/ 2/1986 S	99 1/2	19.79
99	1981* / 100.00	PORT-OCH KRE 888 * 5:1/4 / 14.375 17/12/1991 S	99	14.52
25 / 20.0	1977 / 99.00	PRIVREDNA BANKA 8:1-1/4 / 18.00 3/ 1/1985 S	99 1/2	16.99
50 / 50.0	1978 / 100.00	PRIVREDNA BANKA 8:7/8 / 15.813 22/11/1986 S	88 1/2	19.67
50	1976 / 100.00	ROYAL BANK-SCOT 7.15:1/4 / 16.375 6/ 1/1983 S	100 1/4	14.34
75	1979 / 100.00	ROY SCT 886(2)* 5.79:1/4 / 14.688 11/ 7/1994 Q	99 3/4	14.72

US DOLLARS—FLOATING RATE (CONTINUED)

Amount / Amount outstanding	Year of issue / Issue price	Borrower / Coupon Maturity	Price	Current yield
60	1977 / 100.00	SOCIETE GEN 6 3/8 / 18.375 1/10/1984 S	100 5/4	[illegible]
50	1979 / 100.00	SOCIETE GEN 6 5.15:1/8 / 14.438 12/ 7/1991 Q	99 1/8	[illegible]
100	1983* / 100.00	SOGGEN 885/88 3.25:1/8 / 19.25 22/ 7/1991 S	98 3/4	[illegible]
20	1979 / 100.00	SOGENAL 891 * 5.75:1/4 / 15.125 15/ 7/1989 S	99	[illegible]
50	1978 / 100.00	SONATRACH 886(2) 7.25:1/4 / 15.50 7/19/1992 S	98 1/2	[illegible]
25	1980 / 100.00	SPAREBANKEN 8:1/4 / 14.438 15/12/1997 S	98 7/8	[illegible]
30	1977 / 100.00	STANDARD CHART 8.25:1/4 / 12.925 31/ 5/1986 S	99 1/2	[illegible]
100	1979 / 100.00	STANDARD CHART 5.5:1/4 / 19.00 10/ 8/1990 S	100	[illegible]
75	1980 / 100.00	STANDARD CHART 5.25:1/4 / 19.063 6/ 5/1990 Q	100 1/8	[illegible]
100	1981* / 100.00	STANDARD CHART 5.25:1/8 / 15.313 19/11/1991 S	99 1/4	[illegible]
50	1980 / 100.00	STATE BK INDIA 6.75:1/4 / 12.938 29/ 5/1987 S	99 1/8	[illegible]
30	1981* / 100.00	SUMITOMO FIN 5.5:1/8 / 19.563 8/ 8/1988 S	99 5/8	[illegible]
30	1979 / 100.00	SUMITOMO HEAVY 5.1:1/4 / 18.50 13/ 9/1984 Q	99 1/2	[illegible]
20	1978 / 100.00	SUNDSVALLSBANKEN 6:1/4 / 17.00 4/10/1985 S	100	[illegible]
35	1980 / 100.00	SVENSKA HANDELSBK 3:1/4 / 15.25 15/ 7/1987 S	99 7/8	[illegible]
150	1979 / 100.00	SWEDEN,KINGDOM 1/4 / 14.579 18/10/1991 Q	98 7/8	[illegible]
85	1982* / 100.00	TAMBA 9.5:3/4 / 16.813 27/ 7/1989 S	99 5/4	[illegible]
75	1981* / 100.00	TELEFON-MEK 888 5.75:1/4 / 15.188 29/ 8/1991 S	82	[illegible]
35	1976 / 100.00	TEXAS INT AIR CAN 7:3/4 / 13.25 11/ 6/1986 Q	90	[illegible]
25	1979 / 100.00	THAI FARMER INT 7.25:1/8 / 13.188 21/ 6/1984 S	99 3/8	[illegible]
30	1979 / 100.00	THAILAND,KINGDOM 7:1/8 / 18.188 13/ 3/1984 S	99 2/2	[illegible]
40	1979 / 100.00	TRADE DEV FIN SERV 6:1/4 / 19.125 21/ 8/1986 S	99 3/4	[illegible]
150	1982* / 100.00	TRADING BK 887 5.5:1/4 / 14.438 17/12/1999 S	95 3/4	[illegible]
30	1979 / 100.00	TWO TOWER (D-LOCK) 9:1/4 / 19.938 94/ 3/1991 S	93 3/8	[illegible]
35	1977 / 100.00	U.S.A.F. 7.25:1/4 / 13.063 7/11/1982 S	99 3/8	[illegible]
25	1977 / 100.00	U.S.A.F. 8.75:1/4 / 17.938 25/ 1/1982 S	99 7/8	[illegible]
65	1979 / 100.00	U.S.A.F. 3.5:1/4 / 14.938 9/ 1/1990 S	99 3/8	[illegible]
50	1977 / 100.00	UNION BK-FINLAND 6.5:1/4 / 15.813 20/ 4/1982 S	100 1/8	[illegible]
20	1980 / 100.00	UNION BANK NORWAY 8:1/4 / 14.811 8/ 1/1989 S	98 3/4	[illegible]
25	1979 / 100.00	UNITED OVERSEAS BK 8:1/4 / 14.438 4/ 5/1983 S	99 7/8	[illegible]
25	1979 / [illegible]	UNITED OVERSEAS BK 8:1/4 / [illegible]	99 3/6	[illegible]

[illegible]

AUSTRALIAN DOLLARS

[illegible]

AUSTRIAN SCHILLINGS

[illegible]

CANADIAN DOLLARS

[illegible]

AUSTRIAN SCHILLINGS (CONTINUED)

[illegible]

CANADIAN DOLLARS (CONTINUED)

[illegible]

DEUTSCHMARKS (CONTINUED)

[illegible]

EURO CURRENCY UNITS

[illegible]

EURO UNITS OF ACCOUNT (CONTINUED)

[illegible]

FRENCH FRANCS

[illegible]

FRENCH FRANCS (CONTINUED)

[illegible]

KUWAITI DINARS

[illegible]

LUXEMBOURG FRANCS (CONTINUED)

[illegible]

STERLING

[illegible]

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31st JANUARY 1982

WestLB Euro-Deutschmarkbond Quotations and yields

Advertisement

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D=mandatory drawing by lot at par S=sinking fund P=purchase fund
8% ADELA 78/83	83.00	6.80	14.88	1.17	1. 4.83
7¼% ADELA 77/82 PP	86.00	7.55	18.74	0.38	16. 6.82
7% ADELA 77/82 PP	95.00	7.87	17.94	0.60	1. 8.82
7¾% African Dev. Bank 79/86	85.00	9.12	12.40	4.34	1. 8.86
8% African Dev. Bank 79/87	87.25	9.17	11.10	5.75	1.11.87
6½% Airport Paris 69/84 PP (G)	93.75	6.83	11.02	1.57	1. 3.75—84D
7¾% AKZO 76/83 PP	95.25	8.14	11.71	1.34	1. 6.83
8% AKZO 78/84 PP	89.25	8.72	11.88	2.17	1. 4.84
6½% AKZO 79/86 PP	85.50	7.90	11.10	4.09	1. 3.86
9% AKZO 80/90	96.05	8.47	9.89	8.29	15. 5.86—90S
9¼% Alusuisse Intl. 75/83	98.85	9.35	9.42	0.59	1. 6.81—83D
5½% American Expr. Int'l. 79/87	85.70	9.42	9.22	4.96	15. 1.87
6¾% AMEX Int'l. 77/84 PP	92.50	7.30	10.78	2.17	1. 4.84
7¾% ARBED Finance 76/83 PP	94.00	8.24	11.89	1.75	1.11.83
6¾% ARBED Finance 77/87	82.75	8.16	11.20	5.34	1. 6.83—87S
7½% ARBED Finance 78/86 PP	83.00	9.04	12.48	4.67	1.10.86
9% ARBED Finance 80/87 PP	88.25	10.20	12.08	5.94	1. 6.87
6¾% Ardal-Sunndal 77/89 PP	88.50	7.63	10.89	3.86	1. 7.82—89D
10¾% Ardal-Sunndal 81/88	102.50	10.49	10.23	7.42	1. 7.89
7½% Argentina 77/84	90.50	8.29	11.61	2.67	1.10.84
6½% Argentina 78/85	84.80	7.87	12.75	3.09	1. 3.85
6½% Argentina 78/88	76.50	8.50	13.66	4.83	1.11.84—88D
7½% Argentina 79/89	79.25	9.46	11.91	7.25	1. 5.86—89S
7% Asian Dev. Bk. 69/84	99.50	7.04	7.34	2.59	1. 9.75—84S
8% Asian Dev. Bk. 76/82	99.85	8.01	9.48	0.09	due 1. 6.82
7¾% Asian Dev. Bk. 76/83 PP	97.15	7.96	10.41	1.17	1. 4.83
7% Asian Dev. Bk. 77/85	92.25	7.59	8.96	3.17	1. 4.85
5½% Asian Dev. Bk. 78/88	78.00	6.96	10.13	6.25	1. 5.88
7¼% Asian Dev. Bk. 78/89	85.25	8.50	10.13	7.50	1. 6.89
8¼% Asian Dev. Bk. 80/90	80.50	9.25	10.04	8.75	1.11.90
10% Asian Dev. Bk. 80/90	99.70	10.03	10.04	8.25	1. 5.90
10% Asian Dev. Bk. 81/91	99.90	10.01	10.01	8.17	1. 4.91
10¾% Asian Dev. Bk. 81/88	102.20	10.52	10.30	7.71	15.10.89
7½% Aumar 73/88 (G)	81.25	8.22	10.96	3.35	1. 2.79—88D
9% Aumar 76/84 (G)	97.00	9.28	10.35	2.54	15. 8.77—84S
7¾% Aumar 77/84 (G)	92.50	8.38	11.42	2.42	1. 7.34
6½% Australia 67/82	99.60	8.53	7.01	0.75	1.11.73—82S
6¾% Australia 68/83	99.50	6.78	7.23	1.50	1. 8.74—83S
6½% Australia 69/84	99.50	6.53	6.68	2.00	1. 2.75—84S
7¾% Australia 69/84	99.00	7.32	7.80	2.75	1.11.75—84S
7% Australia 72/87	97.00	7.22	7.75	5.00	1. 2.78—87S
8¼% Australia 75/82 I PP	99.50	8.29	11.00	0.17	due 1. 4.82
8¼% Australia 76/82 II PP	99.30	8.31	10.68	0.25	due 1. 5.82
7¼% Australia 76/83	99.00	7.32	8.23	1.09	1. 3.83
5¼% Australia 77/82 PP	97.00	5.41	10.01	0.87	1.10.82
5¾% Australia 77/89	81.80	7.05	8.10	7.79	1.11.85—89S
6% Australia 78/88	85.75	7.00	8.84	8.59	1. 9.88
8% Australia 80/87 PP	94.50	8.47	8.25	5.84	1.12.87
8¼% Australia 80/90	94.75	8.59	9.06	8.08	1. 3.90
9¼% Australia 91/91	99.25	8.45	8.49	9.87	15.12.91
6¾% Austr. Ind. Dev. Corp. 72/87	81.00	7.42	10.25	3.11	1.11.78—87D
7% Rep. of Austria 68/82	99.50	7.04	10.18	0.17	due 1. 4.73—82S
6½% Rep. of Austria 68/83	87.00	8.10	8.46	1.17	1. 4.75—83S
8¾% Rep. of Austria 75/82 PP	99.50	8.79	11.47	0.17	due 1. 4.79—82D
9% Rep. of Austria 75/83	99.75	8.02	9.27	1.00	1. 2.83
8¾% Rep. of Austria 76/83 PP	98.00	8.93	10.60	1.17	1. 4.79—83D
8½% Rep. of Austria 75/87	97.50	8.72	9.10	5.25	1. 5.78—87S
7¾% Rep. of Austria 76/86	95.50	8.12	9.05	4.26	2. 6.83—86S
6¾% Rep. of Austria 77/85	95.90	7.04	8.26	3.17	1. 4.83—85S
7% Rep. of Austria 77/87 PP	91.75	7.63	10.52	2.82	1. 1.83—87D
6¾% Rep. of Austria 77/87 PP	91.00	7.42	10.51	2.50	1. 2.83—87D
6% Rep. of Austria 77/87 PP	85.00	7.06	10.77	4.02	1. 9.84—87D
5¾% Rep. of Austria 78/88 PP	84.00	6.85	10.49	4.36	15. 7.84—88D
5¾% Rep. of Austria 78/90	78.75	7.30	8.41	8.75	1.11.85—90D
6¾% Rep. of Austria 78/84 PP	92.00	7.34	10.40	2.59	1. 8.84
7% Rep. of Austria 79/87 PP	85.75	8.16	10.48	6.59	1. 9.87
8½% Rep. of Austria 79/89 PP	85.00	7.35	10.74	4.35	1. 2.84—89D
7¼% Rep. of Austria 78/89 PP	85.00	8.53	10.18	7.59	1. 9.89
8¼% Rep. of Austria 80/86 PP	93.90	8.82	10.13	4.39	20. 6.86
8¼% Rep. of Austria 80/88 PP	91.90	9.02	10.10	6.39	29. 6.88
8¼% Rep. of Austria 90/90 PP	90.00	8.17	10.05	8.39	20. 8.80
7¾% Rep. of Austria 80/90 PP	87.00	8.91	10.07	8.54	1. 8.80
8¼% Rep. of Austria 80/92	81.50	9.02	8.81	8.03	1.10.87—92D
7% Autopistas Cataluna 78/85 PP	89.00	7.87	11.59	2.96	16. 1.85
7¼% Autopistas Espanola 69/84 (G)	96.50	7.51	8.08	2.42	1. 7.73—84S
8% Autopistas Espanola 71/86 (G)	93.50	8.56	11.27	2.56	1.10.77—86D
6¾% Autopistas Espanola 72/87 (G)	89.35	7.55	11.05	3.02	1.10.78—87D
7¾% Autopistas Espanola 78/86 PP (G)	80.00	8.08	11.29	8.09	1. 3.85
7¾% Banco N. Desarrollo 78/86 (G)	81.90	8.90	18.41	4.09	1. 8.68

WestLB SD Certificates (Schuldschein-Index)

5 years maturity: 9.90%

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment
8% Banco N. Obras 71/86 (G)	93.50	8.56	8.97	4.75	1.11.77—86S
7¼% Banco N. Obras 77/82 PP (G)	98.00	7.40	11.05	0.54	18. 8.82
7% Banco N. Obras 77/82 PP (G)	97.25	7.20	11.12	0.71	16.10.82
7% Banco N. Obras 77/84 (G)	89.65	7.81	11.70	2.67	1.10.84
5¾% Bk America Overs. Fin. 78/90	78.75	7.21	9.21	8.75	1.11.90
6% Bank of Tokyo 78/86 PP	85.25	7.04	10.72	4.00	1. 2.86
7½% Banque Ext. Algerie 77/83	96.00	7.81	10.12	1.71	15.10.81—83D
7¼% Banque Ext. Algerie 78/85	89.50	8.10	11.97	2.72	1.11.83—85D
7¼% Banque Nat. Algerie 78/83	94.80	7.66	12.85	1.09	1. 3.83
6¾% Barclays Overs. Inv. 79/89	85.25	7.92	8.85	7.25	1. 6.88
8% Barlow Rand Inv. 78/82 I PP	98.15	8.15	11.50	0.54	16. 8.82
8% Barlow Rand Inv. 78/82 II PP	98.10	8.15	11.14	0.62	15. 8.82
7½% BEC Finance 76/83 PP	95.00	7.89	10.73	1.78	1.11.83
8% Beecham Fin. 76/83	97.00	8.25	9.80	1.75	1.11.93
10½% Belgelectric Fin. 81/89	99.75	10.53	10.53	7.34	1. 8.89
11% Belgelectric Fin. 81/91	101.75	10.81	10.88	8.87	1.10.81
5¾% Bergen 75/85	96.50	6.07	11.08	1.88	1. 5.81—85D
7¼% Bergen 77/89	92.50	7.84	9.69	9.82	1. 2.81—89D
8¼% BFCE 75/83 (G)	98.00	8.42	9.75	1.42	1. 7.81—83S
8½% BFCE 76/84 (G)	87.00	8.51	9.65	2.42	1. 7.82—84S
7% BFCE 77/87 (G)	89.35	7.83	8.78	5.00	1. 2.83—87S
5¾% BFCE 78/88 (G)	82.50	6.97	8.78	6.68	15. 1.86—88S
7¾% BFCE 80/87 (G)	92.25	8.40	8.79	4.68	15. 1.87
8½% BFCE 80/95 (G)	87.75	9.26	8.84	12.96	16. 1.88—95S
8½% BNDE 77/87	95.76	8.88	10.47	2.52	1. 4.83(82-87)
6¾% BNDE 78/86	78.00	8.54	13.80	4.09	1. 3.88
8¾% BNDE 80/88	84.40	10.96	12.94	8.42	1. 7.88S
6½% Borregaard 77/84 PP	90.50	7.18	10.75	2.87	1.10.84
6½% Brascan Int'l. 77/88	97.25	6.74	9.05	8.67	1.10.79—88S
6¾% Brazil 72/87	94.50	7.14	7.96	5.67	1.10.76—87S
8¼% Brazil 76/86	96.85	8.87	8.09	4.67	1.10.82(80-86)
7¾% Brazil 77/84	92.35	8.39	11.77	2.25	1. 5.84
6¾% Brazil 78/85	86.00	7.87	11.72	3.00	1. 2.85
7¼% Brazil 79/87	83.10	8.72	11.98	4.92	1. 1.87
8% Brazil 79/87	85.75	9.33	11.82	6.50	1. 8.87
9¼% Brazil 80/88	91.25	10.14	11.23	8.34	1. 8.88
6¾% Branner 68/83 (G)	97.00	6.96	9.13	1.50	1. 6.74—83S
5¾% Bruxelles-Lambert 77/84 PP	87.50	6.57	11.04	2.87	15.12.84
6½% Burmah Oil 70/85	96.75	8.79	10.44	2.18	1.11.76—85D
4¾% Canada 78/83	94.25	5.04	9.60	1.31	20. 6.83
5% Canada 78/84	92.50	5.41	8.75	2.28	10. 5.84
6% Carlsberg-Tuborg 77/87 PP	82.75	7.25	10.04	6.84	1.12.85—87D
6½% C.C.C.E. 75/85 (G)	95.35	6.91	11.03	2.13	1. 4.81—85D
8½% C.C.C.E. 76/86 (G)	96.50	8.81	9.92	2.88	1. 7.83—86D
7% C.C.C.E. 77/89 (G)	88.25	7.83	9.31	7.17	1. 4.81—89D
5½% C E C A 65/83	95.50	5.78	9.72	1.17	1. 4.71—83D
7½% C E C A 71/86	95.00	7.89	9.67	2.70	1. 5.77—86D
6½% C E C A 72/87	91.25	7.12	10.24	2.78	1. 7.78—87D
7% C E C A 72/88	92.25	7.59	8.86	9.29	2. 1.79—88D
6½% C E C A 73/88	89.75	7.24	10.08	3.53	1. 4.79—88D
7¾% C E C A 73/88	97.75	7.93	8.48	9.59	1.11.79—88D
8½% C E C A 75/82 PP	99.75	8.52	11.14	0.09	due 1. 3.82
8% C E C A 75/82	96.50	8.12	9.82	0.87	15.12.82
8½% C E C A 75/85	89.75	8.61	9.14	2.14	1. 4.78—85D
7¾% C E C A 76/83	87.25	7.97	9.56	1.67	1.10.83
7¾% C E C A 76/86	94.75	8.18	10.18	2.57	1.10.82—86D
8% C E C A 78/88	82.00	7.32	9.76	8.75	1.11.68
5½% C E C A 78/80	79.25	8.82	10.04	5.95	1. 4.85—80D
6% C E C A 78/90 PP	83.50	7.19	10.58	4.74	1. 8.83—90D
7% C E C A 79/91	85.50	8.18	10.14	0.51	15. 4.84—91D
9½% C E C A 80/86	99.75	9.52	9.55	6.28	1.12.85—88
7¾% C E C A 80/90	89.80	8.76	9.78	7.82	2. 1.90
7¾% C E C A 80/92	88.50	8.80	10.05	6.84	2. 9.85—92D
10% C E C A 81/91	101.25	8.68	9.74	7.00	3. 8.87—91D
9¾% C E C A	100.25	9.72	9.65	4.96	20. 1.87
9¾% C E C A	99.00	9.85	9.93	8.21	20. 1.87—94
7¾% C.E.D. South Africa 78/92 PP (G)	98.25	7.89	11.53	0.47	20. 7.82
7% CESP 77/87 (G)	93.00	7.53	8.96	6.75	1.11.83(82—87)
9% Chase Manhattan Ov. 78/93	78.75	7.52	8.86	11.59	1. 8.84—93S
7% Chrysler 68/84	94.00	7.45	10.08	2.42	1. 7.75—84S
6¾% CIBA-GEIGY ex. W. 75/85 PP	88.50	7.63	10.67	3.67	1.10.85
6½% C.N. Autoroutes 69/84 (G)	94.25	6.90	10.94	1.67	1. 9.75—84D
6½% C.N. Energie 69/84 PP (G)	94.40	6.89	10.77	1.49	1. 2.75—84D
8½% C.N. Telecom. 69/93 (G)	95.90	8.81	8.37	1.75	1.11.74—83S
8½% C.N. Telecom 70/85 (G)	87.90	8.72	9.53	9.67	1.10.76—85S
7¾% C.N. Telecom. 78/83 (G)	96.75	7.49	10.16	1.21	18. 4.83
6¾% C.N. Telecom. 78/87 (D)	68.75	7.20	9.86	5.09	1. 3.87
7¾% C.N. Telecom. 78/87 PP (G)	89.75	8.77	10.27	5.88	16.12.87
7¾% Camelco 71/86	96.50	8.03	8.82	4.34	1. 6.77—86S
7% Com. Fed. Electr. 77/82 PP	97.90	7.18	11.48	0.59	1. 9.82
8% Com. Fed. Electr. 77/84	93.25	8.58	11.40	2.34	1. 8.84
7¼% Com. Fed. Electr. 77/85	91.50	7.92	11.85	2.18	1.11.82—85D
6¾% Com. Fed. Electr. 78/86	84.68	7.97	11.70	4.06	1. 4.84—86D
8% Commerzbank Int'l. 78/84 PP	92.00	5.43	9.78	1.82	1. 1.84
4½% Comp. F. Deutsche Bk. 78/83 PP	93.50	4.68	10.12	1.25	1. 5.83
8% Comp. F. Deutsche Bk. 78/84 PP	91.75	5.45	8.92	1.82	1. 1.84
8½% Comp. Franc. Petr. 75/86	96.40	8.82	8.82	3.25	1. 5.80—86S
6½% Comp. Franc. Petr. 77/84	92.35	7.04	10.18	2.42	1. 7.84
8½% Consorzio 70/81 (G)	93.50	9.09	10.57	4.60	1. 1.77—91D
5¾% Copenhagen 64/84	93.50	6.15	6.38	2.87	15.12.70—84D
7% Copenhagen 68/93	99.25	7.05	7.77	1.26	2. 5.72—83S
6¾% Copenhagen 68/84	99.00	6.82	7.25	2.34	1. 8.75—84S
7¾% Copenhagen 71/86	97.00	7.99	8.80	4.17	1. 4.77—86S
7½% Copenhagen 76/86	95.00	7.89	8.90	4.84	1.12.81—86S
8% Copenhagen 76/90	80.75	7.43	9.302	8.76	1.11.81—90S
7% Council of Europe 73/88	91.25	7.67	10.29	6.22	1. 7.78—88D
9½% Council of Europe 76/83	100.50	8.46	7.98	1.00	1. 2.79—83D
7¾% Council of Europe 76/83	98.10	7.80	10.44	0.74	1. 5.80—88D
7% Council of Europe 76/83	95.00	7.37	10.09	1.84	1.12.83
6¾% Council of Europe 77/87	87.25	7.16	10.62	6.85	1.11.83—87D
6¾% Council of Europe 79/86 PP	86.00	7.35	10.66	4.42	1. 7.88
6½% Council of Europe 78/88	85.75	7.14	10.48	4.20	19. 5.84—88D
6¼% Council of Europe 78/88 II	84.75	7.37	10.55	4.85	1.11.84—88D
6¾% Council of Europe 78/89 III	84.50	7.40	10.63	4.55	1.11.84—88D
7¼% Council of Europe 79/89	89.15	8.13	10.66	4.05	1. 5.83—89D
7½% Council of Europe 79/89	97.75	9.55	10.49	5.57	1.10.85—89D
9¾% Council of Europe 80/90	99.08	9.85	9.96	6.74	1.12.86—90
10% Council of Europe 81/91	101.00	9.50	9.78	7.12	16. 4.87—91D
10¼% Council of Europe 81/91	101.25	10.12	9.99	7.62	16.10.87—91
6½% Courtaulds Int'l. 72/87	89.00	7.30	8.16	5.42	1. 7.80—87S
6% Credit National 77/87 (G)	85.00	7.09	9.53	5.97	1.10.83—87S
5¾% Credit National 79/83 PP (G)	93.00	8.18	10.73	1.59	1. 9.83
6½% Credit National 79/88 (G)	85.00	7.95	10.42	5.11	19. 4.85—88D
9% CVRD 76/84	97.50	9.23	10.45	2.00	1. 2.81 (82-84)
8½% CVRD 76/86	97.25	8.74	9.22	4.84	1.12.82(83-86)
6% Daimler-Benz 70/85	98.50	6.12	8.95	2.20	1.11.76—85D
5½% Daishowa Paper 78/83 PP	92.50	5.85	11.14	1.50	1. 8.83
6% Danish Export 77/82 PP	96.25	6.23	11.39	6.75	1.11.78—82D
6½% Danish Export 78/83 PP	96.00	5.89	11.01	0.82	1. 6.79—83D
8¼% Den Danske Bk. 78/86	93.50	6.82	10.02	4.75	1.11.82—86S
7% Denmark 69/84	97.25	7.20	8.41	2.60	1. 8.75—84S
6¾% Denmark 72/87	90.25	7.48	8.86	5.84	1.12.78—87S
9¼% Denmark 74/89	98.75	8.37	8.49	7.09	1. 8.80—89S
8% Denmark 76/82	98.85	8.09	9.86	0.59	1. 9.82
6¾% Denmark 77/83	95.80	7.04	10.23	1.29	16. 5.83
7¾% Denmark 77/87	89.50	8.19	10.14	5.29	16. 5.87
5¾% Denmark 78/84	91.45	6.74	10.18	2.00	1. 2.84
6% Denmark 78/88	81.00	7.41	10.41	8.00	1. 2.89
5¾% Denmark 79/85	89.00	5.46	10.16	3.00	1. 2.85
6½% Denmark 79/89	81.25	8.00	10.40	7.00	1. 2.89
7½% Denmark 80/86	92.40	8.52	10.29	4.00	1. 2.89
8¾% Denmark 80/82	91.25	9.04	9.65	10.00	1. 2.92P
9½% Denmark 80/90 PP	96.50	9.84	10.13	8.25	1. 5.90
6¾% Den Norske Ind. 77/89 (G)	90.75	7.44	8.82	6.58	1. 6.80—89D
6% Den Norske Ind. 78/90 (G)	86.05	6.97	8.88	4.50	1. 5.83—90D
6½% District Paris 69/84 (G)	94.00	9.81	8.67	2.17	1. 4.75—84D
10¼% EEC 81/93	101.00	10.02	8.99	11.72	18.10.93
7¾% EEC 78/84	68.35	8.91	10.08	7.86	1.11.85—84D

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D=mandatory drawing by lot at par S=sinking fund P=purchase fund
7¾% EEC 78/83	97.60	7.43	9.47	1.17	1. 4.83
8¾% Electr. de France 80/88 PP (G)	91.50	9.32	10.03	6.75	1.11.88
7% Eletrobras 77/87 (G)	93.40	7.49	8.52	5.59	1. 9.83(83-87)
6¾% Eletrobras 78/86 (G)	79.50	8.49	18.47	4.17	1. 4.86
7% Eletrobras 79/87 (G)	80.50	8.70	12.47	5.00	1. 2.87
5¼% Elf Aquitaine 78/88	80.15	6.55	10.31	5.26	15. 5.86—88D
5¾% Elkem 78/88 PP	68.50	6.65	9.77	4.24	1. 6.84—88D
6¼% Ericsson 72/87	83.60	7.21	6.34	5.09	1. 3.78—87S
6½% ESCOM 68/83 (G)	94.50	9.88	11.79	1.16	1.10.74—83D
6½% ESCOM 70/85 (G)	94.50	9.68	11.52	2.13	1. 4.76—85D
8% ESCOM 71/86 (G)	93.25	8.58	11.45	2.52	1. 3.77—86D
6¾% ESCOM 72/87 (G)	86.75	7.20	11.84	2.92	1. 9.78—87D
7% ESCOM 73/89 (G)	88.25	7.94	10.73	3.60	1. 6.79—88D
8% ESCOM 76/84 PP (G)	90.25	8.86	12.35	2.75	1.11.84
8¾% ESCOM 79/84 I PP (G)	96.00	9.11	10.60	2.53	1. 8.84
8¾% ESCOM 79/84 II PP (G)	94.25	8.28	11.46	2.50	1. 8.84
9% ESCOM 80/87 PP (G)	97.25	8.25	9.81	4.50	1. 9.84—87D
9¼% ESCOM 80/87	95.90	9.65	10.21	5.75	1.11.87
7¾% ESTEL 73/88	82.25	9.42	11.78	6.50	1. 6.79—88S
8½% ESTEL 75/85	89.50	9.60	12.91	3.34	1. 6.81—85S
6½% ESTEL 78/83 PP	92.50	6.19	18.54	1.09	1. 3.83
6½% ESTEL 77/84 PP	77.50	6.39	17.42	2.75	1.11.84
6¼% ESTEL 77/84 PP	82.50	7.58	18.64	1.78	1.12.82—84D
6¼% ESTEL 78/85 PP	70.00	8.93	18.12	3.66	1.10.85
7¾% ESTEL 78/96 PP	74.00	10.47	16.29	4.50	1. 6.86
8¼% ESTEL 79/88 PP	76.50	10.62	16.29	4.87	15.12.86
8¾% ESTEL 80/87 PP	77.00	11.53	15.43	5.37	15. 8.87
5¾% Euratom 77/87	84.00	6.85	9.47	5.75	1.11.87
6¼% Euratom 79/81 PP	84.00	7.44	10.34	5.27	8. 2.84—91D
6½% Eurofima 67/83	86.25	6.75	10.29	1.07	1. 9.71—83D
6¾% Eurofima 72/87	81.00	8.67	9.89	2.96	1. 9.76—87D
6½% Eurofima 73/88	90.50	7.18	8.87	3.45	1. 3.77—88D
8% Eurofima 73/88	95.00	8.42	9.73	3.48	1.10.77—88D
8% Eurofima 76/83	99.00	8.09	8.09	1.00	1. 2.83
6¾% Eurofima 77/87 PP	91.00	7.42	10.51	2.90	1. 2.83—87D
5½% Eurofima 78/88	85.79	6.41	10.05	3.85	15. 2.84—88D
5½% Eurofima 78/68 PP	80.75	6.81	10.48	5.19	1.11.85—88D
6½% Eurofima 79/88	86.50	7.51	10.13	4.81	1. 2.85—89D
7% Eurofima 79/84 PP	92.50	7.57	10.32	2.87	1.10.84
7¾% Eurofima 78/87 PP	87.60	8.43	10.38	5.67	1.10.87
8¾% Eurofima 80/87 PP	96.75	8.62	9.22	5.75	1.11.87
7¾% Eurofima 80/88 PP	90.50	8.70	10.07	5.68	15. 1.88
10¼% Eurofima 81/91	103.00	9.85	9.75	9.75	1.11.91
6% Europ. Inv. Bank 69/84	84.75	6.33	8.90	1.57	1. 3.75—84D
7% Europ. Inv. Bank 69/84	95.25	7.35	10.32	1.72	1.11.75—84D
7½% Europ. Inv. Bank 71/86	94.85	7.91	10.09	2.53	1. 3.77—86D
7¾% Europ. Inv. Bank 71/86	94.75	8.18	10.13	2.57	1.10.77—86D
6½% Europ. Inv. Bank 72/87	90.75	7.16	10.24	2.99	1. 3.78—87D
8% Europ. Inv. Bank 72/87	88.50	8.70	10.28	2.94	1. 9.80—87D
6¼% Europ. Inv. Bank 73/88	83.75	7.20	8.11	8.00	1. 2.79—88S
7% Europ. Inv. Bank 73/88	93.50	7.49	8.33	6.42	1. 7.79—88S
9½% Europ. Inv. Bank 75/83	100.00	9.50	9.46	0.92	1. 1.81—83D
8% Europ. Inv. Bank 76/83	98.50	8.12	9.70	0.91	1. 7.80—83D
7¾% Europ. Inv. Bank 78/83 PP	95.75	8.09	10.60	1.67	1.10.83
8¼% Europ. Inv. Bank 76/84	94.30	7.16	10.35	1.80	1.12.81—84D
8% Europ. Inv. Bank 77/89	68.75	8.92	10.43	3.74	1. 9.82—89D
8% Europ. Inv. Bank 78/88 I PP	81.50	7.36	8.89	8.50	1. 8.88
6% Europ. Inv. Bank 78/88 II PP	81.00	7.41	8.87	8.79	15.11.88
5¾% Europ. Inv. Bank 78/90	79.10	8.64	10.15	5.86	1. 3.85—90D
6% Europ. Inv. Bank 78/90	80.25	7.48	8.42	8.67	1.10.90P
7½% Europ. Inv. Bank 79/89	87.75	8.55	9.91	7.34	1. 6.89
7¾% Europ. Inv. Bank 79/89 PP	87.00	8.78	10.17	7.50	1. 5.68
8½% Europ. Inv. 79/91	82.35	7.89	9.52	8.92	1. 1.91P
8¾% Europ. Inv. Bank 80/86	99.00	9.34	9.52	4.25	1. 5.86
7¾% Europ. Inv. Bank 80/90	88.50	8.90	8.92	8.50	1. 8.90
8¼% Europ. Inv. Bank 80/90	93.10	9.13	8.89	8.71	15.10.90
9% Europ. Inv. Bank 80/87 PP	96.50	9.33	8.80	5.79	15.11.87
9½% Europ. Inv. Bank 80/90	98.00	8.69	9.85	6.25	1. 5.90
9½% Europ. Inv. Bank 80/90	99.00	9.60	8.66	8.84	1.12.90
10¼% Europ. Inv. Bank 81/91	100.85	10.04	9.97	8.75	1.11.91
10½% Europ. Inv. Bank 81/91	102.90	10.20	9.99	9.17	1. 4.91
10½% Europ. Inv. Bank 81/91 II	102.80	10.20	9.99	8.54	15. 6.91
10¾% Europ. Inv. Bank 81/91	103.79	10.36	10.09	9.37	1. 2.89
10% Europ. Inv. Bank	100.35	9.97	9.93	6.99	1. 2.82
10% Europ. Inv. Bank	100.50	9.95	9.92	9.88	15. 6.91
8¾% Europistas 71/86 (G)	94.65	8.72	11.10	2.44	1. 2.77—85D
8% Europistas 72/87 (G)	93.10	8.59	11.21	2.81	1. 1.78—87D
7% Finland 68/83	68.00	7.14	9.79	0.82	1. 6.72—83D
6¾% Finland 68/83	95.25	7.09	10.96	1.32	1.12.72—83D
7% Finland 68/84	94.50	7.41	10.80	1.74	2. 5.73—84D
7½% Finland 69/84	96.25	7.87	11.02	1.63	1.10.73—84D
7% Finland 72/87	96.50	7.25	7.99	5.17	1. 4.78—87S
8% Finland 76/94	99.00	8.09	8.45	2.34	1. 6.81—84S
5½% Finland 78/83 PP	94.75	5.80	11.33	1.00	1. 2.83
6% Finland 78/83	93.15	6.44	10.26	1.84	1.12.83
5¾% Finland 78/86	85.75	6.71	10.27	4.00	1. 2.86
8% Finland 79/86	92.25	8.87	10.08	4.88	16.12.86
10% Finland 81/89	100.15	9.99	9.95	7.25	1. 5.89
10½% Finland 81/96	101.10	10.39	10.17	4.75	1.11.86
8¾% Finn. Industriebank 88/90 (G)	92.00	9.24	10.63	4.99	1.11.83—90D
8% Finn. Kommunal 71/83 (G)	98.00	8.18	11.12	0.74	2. 5.76—83D
10% Finn. Kommunal	98.00	10.20	1.63	7.91	1. 7.83—83D
8¼% Forsmarks 75/83 (G)	97.60	8.45	11.05	0.91	2. 1.88—92
5¾% Forsmarks 78/90 (G)	84.00	8.86	10.67	4.20	16. 1.83—90D
9¾% Forsmarks 80/87 (G)	95.60	9.28	10.07	4.72	1.11.85—87D
7½% Francetel 76/83 (G)	95.75	7.83	10.28	1.71	18.10.83
6¾% Francetel 77/84 PP (G)	93.15	7.25	10.41	2.17	1. 4.84
9¼% Gen. Zbk. Vienna 75/82 PP	99.50	9.30	14.87	0.09	due 1. 3.82
8½% Gen. Zbk. Vienna 76/83 PP	98.00	8.67	10.71	1.00	1. 2.81—83D
6% Gen. Zbk. Vienna 77/87	86.60	6.93	10.51	3.74	1.12.83—87D
7¾% Giroz. Vienna 78/83	95.90	7.56	9.87	1.75	1.11.83
5½% Giroz. Vienna 77/82	98.00	5.61	8.62	0.87	1.10.82
5¾% Giroz. Vienna 78/86 PP	83.00	9.93	10.53	4.67	1.10.86
6¾% Giroz. Vienna 79/84 PP	92.25	7.45	10.46	2.54	16. 8.94
8¾% Giroz. Vienna 80/87 PP	95.25	9.32	10.04	5.34	1. 8.87
10¾% Giroz. Vienna 81/91	103.10	10.43	10.20	9.42	1. 7.91
8% G. I. S. 78/83 PP	95.50	6.28	10.58	1.09	1. 3.82—83D
7% Grand Metrop. Fin. 77/84	93.25	7.51	10.15	2.50	1. 8.81—84S
8% Guest-Keen-Nettl. 78/83	97.40	8.21	10.24	1.26	2. 5.83
6¾% Hamersley Iron 72/87	89.50	7.54	9.28	5.42	1. 7.78—87S

WestLB

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Leading Marketmakers in Eurobonds

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment
8¾% Hazama-Gumi 80/85 PP	96.90	8.16	10.36	3.38	18. 8.85
7% Helsinki 68/88	88.00	7.14	8.70	1.42	1. 7.72—83S
8% Hidroeléctr. Ibérico 80/90	93.00	8.69	10.77	6.30	1. 8.84—90D
5¼% Hitachi Shipbuildg. 78/83	83.25	6.17	8.84	1.88	18.12.83
8¾% Honeywell Bull 80/90	68.80	9.33	10.21	8.50	1. 9.90P
8¾% IAKW. Vienna 75/85 (G)	96.90	9.07	10.56	2.22	1. 5.80—85D
10% IBM 80/88 PP	103.25	8.89	9.01	4.17	1. 4.86
7¾% Iceland 69/84	98.50	7.36	8.14	2.25	1. 5.73—84S
7¾% Iceland 77/87	90.76	8.54	10.12	5.17	1. 4.80—87S
6½% ICI Int'l. 72/82	84.25	7.72	8.93	10.09	1. 3.78—82S
7½% ICI Int'l. 76/88	93.00	8.06	8.77	9.81	1.12.84—86D
6¾% ICI Int'l. 77/87	90.25	7.48	10.02	3.68	1. 5.84—87D
8% ICIPU 71/91 (G)	92.00	8.70	10.49	4.59	1. 1.77—91D
8% Imatran Voima 72/87 (G)	96.25	8.31	8.18	4.82	1. 1.78—87S
7% Indonesia 78/84	89.25	7.94	11.89	2.87	1.10.84
7¾% Ind. Dev. C. South-Afr. 78/82 PP (G)	99.10	7.82	11.23	0.25	due 1. 6.82
8% Ind. Dev. C. South-Afr. 78/83 PP (G)	95.75	8.36	11.32	1.42	1. 7.83
5% Industr. Bk. Japan 78/94	92.10	5.43	8.70	1.92	1. 1.84
7¾% Ind. Fund of Finnland 79/87 PP	88.75	8.31	10.82	4.06	16. 8.84—87D
7½% Ind. Min. Dev. Iran 73/85	88.00	8.43	11.73	3.25	1. 5.77—85S
7¾% Ind. Min. Dev. Iran 77/87	74.00	10.47	15.07	5.42	1. 7.83—87S
7¾% Ind. Min. Dev. Iran 78/84	87.00	10.82	25.89	2.63	16. 8.84
8% Ind. Mtgebk. Finl. 71/86 (G)	92.70	8.83	11.48	2.73	1.12.77—86D
7% Ind. Mtgebk. Finl. 72/87 (G)	92.25	7.59	10.54	2.77	1. 7.78—87D
8¾% Int. Am. Dev. Bank 68/83	99.00	8.82	7.94	1.42	1. 7.72—83S
7% Int. Am. Dev. Bank 69/84	99.50	7.04	7.35	2.50	1. 8.75—84S
8½% Int. Am. Dev. Bank 70/85	89.90	8.54	8.85	3.59	1. 8.76—85S
6¾% Int. Am. Dev. Bank 72/87 I	93.90	7.22	8.29	5.34	1. 6.78—87S
6¾% Int. Am. Dev. Bank 72/87 II	91.25	7.40	8.74	5.75	1.11.78—87S
8% Int. Am. Dev. Bank 78/83 PP	87.75	8.18	10.36	1.04	16. 2.82
8¼% Int. Am. Dev. Bank 76/83 PP	96.75	8.53	10.76	1.42	1. 7.83
7% Int. Am. Dev. Bank 77/87	92.00	7.61	9.09	4.92	1. 1.83—87B
6¾% Int. Am. Dev. Bank 78/88	83.78	7.46	10.02	5.82	1. 1.88
7¾% Int. Am. Dev. Bank 79/86	93.50	8.29	9.60	4.42	1. 7.88
8% Int. Am. Dev. Bank 78/89 PP	88.00	8.99	10.15	7.46	15. 7.89
8% Int. Am. Dev. Bank 80/88	93.15	8.59	8.55	6.00	1. 2.88
10% Int. Am. Dev. Bank 81/81	100.25	9.68	9.85	9.09	1. 3.91
10¼% Int. Am. Dev. Bank 81/81	101.10	10.14	10.06	8.78	15.11.81
6¾% Int'l. Com'l. Bank 73/83	96.50	6.99	11.33	0.82	1. 8.79—83D
7½% Ireland 78/87 PP	89.00	8.43	10.30	5.25	1. 6.87
8¾% Ireland 80/88	90.50	8.98	10.34	5.92	1. 1.88
10¼% Ireland 81/86	100.00	10.13	10.11	4.86	15.12.86
7¾% ISCOR 71/86 (G)	93.50	8.29	9.84	4.34	1. 6.77—86D
7% ISCOR 72/87 (G)	88.35	7.92	11.97	9.06	1. 4.78—87D
7% ISCOR 73/88 (G)	86.60	8.08	11.89	3.42	1. 3.79—88D
6¾% ISCOR 73/88 (G)	81.50	8.29	11.53	9.54	1.11.79—88D
7¾% ISCOR 78/82 PP (D)	99.25	7.81	12.08	0.17	due 1. 4.81—82D
8¼% ISCOR 78/84 PP (G)	93.00	8.87	11.35	2.71	16.10.84
7% Japan 68/83	89.20	7.06	7.92	1.09	1. 3.72—83S
8¼% Japan Air Lines 80/87 (0)	86.25	8.44	8.87	5.79	16.11.87
7¼% Japan Dev. Bank 76/83 (G)	97.50	7.44	9.57	1.17	1. 4.83
7¾% Japan Dev. Bank 80/87 (G)	93.50	8.19	9.14	5.59	1. 9.87
10¼% Japan Synthetic 80/85 PP	101.50	10.10	8.85	3.20	15. 4.85
8% Johannesburg 71/86 (G)	83.20	9.58	11.24	2.48	1. 9.77—86D
6¾% Johannesburg 72/87 (G)	87.00	7.18	11.72	2.83	1. 6.78—87D
7¾% Johannesburg 78/82 PP (G)	88.50	7.87	13.85	0.25	due 30.4.82
7¼% Jydsk Telefon 69/84	94.75	7.65	9.79	2.82	15. 9.75—84S
6¾% Jydsk Telefon 72/87	89.90	7.54	8.44	5.09	1. 3.78—81D
7¼% Jydsk Telefon 73/88	81.50	7.92	8.15	6.00	1. 2.79—88D
9% Jydsk Telefon 75/82 PP	89.00	8.09	11.27	0.42	1. 7.82
8½% Jydsk Telefon 80/90	89.75	9.47	10.45	8.00	1. 2.90
6¾% Kansai Electric 69/84	97.00	8.96	6.52	2.09	1. 3.75—84S
7¾% Konsai Electric 71/86	96.75	8.01	8.68	4.25	1. 5.77—86S
6¾% KELAG 73/88	92.25	7.32	6.38	6.25	1. 5.79—88S
6¾% KHD Finance 72/87	94.00	7.18	8.19	5.26	2. 5.78—87S
7¾% Kjobenhavns H. Bank 76/83 PP	93.25	7.91	11.63	1.84	1.12.83
7½% Kjobenhavns Tel. 72/87	83.75	8.00	8.31	4.92	2. 1.78—87S
7% Kjobenhavns Tel. 72/87	93.75	7.47	8.51	5.25	1. 5.78—87S
6½% Kjobenhavns Tel. 73/88	88.76	7.32	8.94	6.17	1. 4.79—88S
5% KLM Royal Dutch Airl. 78/85 PP	90.75	5.51	9.81	2.22	1. 5.79—85D
7% Kobe 68/83 (G)	99.35	7.05	7.65	1.34	1. 5.72—83S
6¾% Kobe 69/84 (G)	99.00	6.82	7.38	2.25	1. 5.73—84S
7¾% Kobe 71/86 (G)	98.75	7.86	8.13	4.00	1. 2.77—86S
6¾% Kobe 72/87 (G)	93.25	7.24	6.38	5.25	1. 5.78—87S
7½% Kobe 76/83 (G)	97.30	7.71	9.69	1.34	1. 9.83
6½% Kobe 77/87 (G)	88.50	7.34	9.32	6.34	1. 9.87
5¾% Kobe 78/86 (G)	87.50	6.57	9.31	4.42	1. 7.88
7¾% Kobe 79/89 (G)	88.40	8.06	9.29	7.67	1.10.89
8% Kobe 80/90 (G)	92.60	8.51	8.23	8.42	1. 7.90
7¾% Kommunl. Inst. 78/83	96.75	9.01	10.80	1.17	1. 4.81—83D
6% Kommunl. Inst. 78/84	95.50	6.38	8.94	2.71	16.10.77—84D
7¾% Koma Dev. Bank 77/84 (G)	86.90	6.19	12.27	2.84	1.12.84
5¼% Kubota Int'l. 77/82 PP	95.50	5.51	11.34	0.84	1.12.81—82D
5¾% Kvaerner Ind. 78/88 PP	87.00	6.61	9.84	6.89	1. 3.84—88D
8½% Light-Servicoo 77/82 (G)	99.60	8.53	12.55	0.09	due 1. 6.82

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D=mandatory drawing by lot at par S=sinking fund P=purchase fund
6¾% Light-Servicos 76/88 (G)	79.25	8.52	13.44	4.25	1. 6.88
8½% Light-Servicos 80/90 (D)	82.00	10.37	13.09	5.94	16. 1.86—90D
9¾% Lonrho Intern. 80/87	97.25	10.03	10.43	5.76	2. 5.87
6½% Lufthansa Int'l. 79/86 PP	87.00	7.47	10.57	4.08	1. 6.86
7% Malaysia 72/84	96.00	7.29	10.37	1.30	1. 6.75—84D
6½% Malaysia 77/86	84.25	7.72	12.14	9.59	1. 8.85
9¼% Malmoe 75/84	99.75	9.27	8.44	1.49	1. 2.81—84D
8¼% Malmoe 76/83	98.50	8.38	9.74	1.08	1. 3.80—83D
6¾% Manitoba 77/84	94.75	9.86	8.88	2.42	1. 7.84
6¾% Manit. Hydro El. 72/87	83.60	7.22	9.29	5.34	1. 8.78—87S
6¾% Mogal Fin. Comp. 78/90	78.50	7.86	10.13	7.83	2. 1.85—90S
7% Mogol Fin. Comp. 78/89	85.00	8.24	10.02	7.77	1. 4.87—89P
7% M E P C 73/88	88.50	7.91	11.01	9.60	1. 5.79—88D
7¼% Mexico 77/86	89.00	8.15	9.78	6.92	1. 1.79—88S
9% Mexico 75/82	99.40	8.05	10.26	0.42	1. 7.82
8% Mexico 76/83	96.25	8.31	11.08	1.34	1. 9.83
7¼% Mexico 77/84	83.10	8.32	11.22	2.34	1. 9.84
6% Mexico 78/85	87.80	6.85	10.81	3.17	1. 4.85
11% Mexico 81/88	101.25	10.86	10.72	6.87	16.12.88
8¾% Micholin Finance 80/87 PP	92.50	9.46	10.53	5.78	18.11.87
8½% Midland Int. Fin. 80/90	94.00	9.04	9.53	8.71	15.10.90
6½% Mitsubishi Chemical 79/84	83.90	6.92	9.61	2.25	20. 4.84
5¾% Mitsubishi Petro 78/83	94.50	6.08	8.61	1.59	1. 9.83
9% MOOD 75/83	98.30	8.18	11.13	0.82	1. 6.80—83D
7% Montreal 69/89	88.50	7.91	10.69	3.97	1. 4.70—89D
6% Montreal 72/92	83.50	7.19	10.30	5.10	1. 9.73—92D
6¾% Montreal 73/93	94.50	7.99	8.96	11.34	1. 8.74—93S
8¼% Montreal 76/86	88.25	6.65	6.97	4.42	1. 7.77—86S
7% Montreal 77/87	89.50	7.82	9.54	5.48	16. 7.78—87S
7½% Mortg. Denmark 69/84 (G)	98.00	7.65	8.49	2.76	1.11.75—84S
7% Mortg. Denmark 73/88 (G)	88.00	7.95	8.57	6.42	1. 7.79—88S
8½% Mortg. Denmark 80/90 (G)	86.25	9.52	10.46	8.42	1. 7.90
10½% Mortg. Denmark 81/91	100.25	10.47	10.44	8.74	1.11.81
6¾% Mortg. Bk. Finl. 69/84 (G)	96.50	6.68	8.73	2.17	1. 4.73—84S
8¾% Nafi. Mexico 78/83 PP (G)	96.50	9.16	11.57	1.84	1.12.83
7% Nafi. Mexico 77/82 PP (G)	97.40	7.19	11.67	0.59	1. 9.82
8¼% Nafl. Mexico 77/84 (G)	89.80	9.13	11.09	2.09	1. 9.84
8¼% Nafi. Mexico 77/84 PP (G)	95.00	8.21	11.56	2.09	1. 3.84
6½% Nat. Bk. Hungary 77/85	83.75	7.76	12.12	3.75	1.11.85
7% Nat. Neder. Fin. Maat. 79/86 PP	91.25	7.67	9.38	4.87	1.10.89
8% Nat'l. Westm. Bk. 73/88	96.65	8.28	8.87	8.67	1.10.79—88S
11% Nat'l. Westm. Bk. 81/91	105.00	10.48	10.14	8.66	1.10.81
9¾% Nat'l. Westm. Bk. 82/92	100.00	9.88	9.87	9.82	1. 1.92
8% Nederl. Gasunie 78/86	96.00	8.33	9.06	4.84	1.12.83—86
8¾% Nedarl. Gasunie 80/87	87.75	8.70	8.06	5.09	1. 8.84—87S
6¾% New Brunswick 72/87	91.35	7.39	8.71	5.76	1.11.78—87S
7¼% Newfoundland 69/84	96.00	7.55	8.28	2.50	1. 8.75—84S
8% Newfoundland 71/86	95.50	8.38	9.24	4.50	1. 8.77—86S
6¾% Newfoundland 72/87	80.25	7.48	8.68	5.76	1.11.78—87S
6¾% Newfoundland 73/88	88.75	7.24	8.71	6.17	1. 4.81—88S
5¾% New Zealand 69/84	97.80	5.90	9.52	1.49	1. 2.75—84D
7½% New Zealand 71/86	95.00	7.81	8.81	2.18	1. 5.77—86D
7% New Zealand 72/87	94.79	7.39	9.13	2.92	1. 2.78—87D
7½% New Zealand 76/83	97.90	7.66	8.60	1.09	1. 3.83
7¾% New Zealand 76/86	95.86	8.09	8.56	2.68	1.11.82—86D
6¾% New Zealand 77/84	92.90	6.73	9.89	2.25	1. 5.84
5¾% New Zealand 78/96	96.96	6.12	9.59	4.09	1. 6.88
6% New Zealand 79/88 PP	87.00	8.80	10.11	4.00	1. 2.88
6¾% New Zealand 79/87	87.60	7.14	9.55	4.32	1. 1.87
7¼% New Zealand 79/87	89.15	7.68	8.70	5.62	15. 9.87
8¾% New Zealand 78/84 PP	96.00	8.59	9.81	2.84	1.12.84
7¾% New Zealand 80/88	92.60	8.50	9.44	6.46	16. 7.88
9¾% New Zealand 81/89	100.50	9.70	9.64	7.84	1.12.89
6¾% Nippon Housing Loan 79/84 PP	92.50	7.30	10.56	2.29	16. 6.84
6½% Nippon Kokan 79/84	94.25	6.90	9.54	2.17	1. 4.84
5¾% Nippon Steel 78/85	90.00	5.39	8.12	3.59	1. 8.85
8¾% Nippon T + T 75/82 (G)	99.75	8.77	11.37	0.09	due 1. 3.82
8¼% Nippon T + T 79/82 (G)	99.25	8.31	10.34	0.34	due 1. 9.82
7¾% Nippon T + T 76/83 (G)	97.75	7.83	8.21	1.67	1.10.83
5½% Nippon T + T 79/87 (G)	84.80	8.48	9.42	5.00	1. 2.87
5¾% Norcam 78/85	87.75	6.55	10.60	3.09	1. 3.85
7½% Norcam 79/68 PP	88.00	8.52	10.84	4.59	1. 8.86
5% Norddt. LB Int'l. 78/84 PP	90.50	5.52	10.50	2.00	1. 2.84
8¾% Nordic Inv. Bank 79/86	87.75	7.12	10.19	3.92	1. 1.86
6½% Norges Komm. Bank 70/85 (G)	102.00	8.33	7.60	2.12	1.10.76—85S
7% Norges Komm. Bank 77/89 (G)	93.50	7.49	8.23	7.17	1. 4.80—89S
8% Norges Komm. Bank 77/89 I (G)	87.50	6.96	8.25	7.71	18.10.80—89S
6% Norges Komm. Bank 77/68 II (G)	87.40	6.86	8.24	7.84	1.12.80—89S
6% Norges Komm. Bank 76/90 (G)	85.40	7.03	8.47	8.50	1. 8.81—90S
6¾% Norges Komm. Bank 79/89 (G)	67.80	7.12	8.66	5.92	1. 1.84—89S
7¾% Norges Komm. Bank 79/89 PP (G)	68.00	8.29	9.45	7.54	16. 8.84—89S
7¾% Norges Komm. Bank 79/91 (G)	91.50	8.47	9.12	9.42	1. 7.84—91S
8¼% Norges Komm. Bank 79/94 (G)	92.80	8.88	9.21	12.69	16.12.85—84S
8½% Norpipe 76/84	99.50	8.54	8.76	2.00	1. 2.80—84S
8% Norpipe 76/88	93.25	8.59	9.45	6.34	1. 6.83—88S
6% Norpipe 77/89	80.50	7.45	9.68	7.75	1.11.84—89S
7¾% Norsea Gas 76/88	88.75	8.17	9.56	8.84	1.12.83—88S
7% Norsea Gas 77/89	89.25	8.12	9.67	7.42	1. 7.84—89S
9% Norsk Hydro 76/87	99.40	9.05	9.23	9.00	1. 3.80—87D
8% Norsk Hydro 76/88	96.95	9.26	9.65	6.17	1. 4.83—88S
6¾% Norsk Hydro 77/89	90.00	7.50	9.63	7.34	1. 6.83—89S
6¾% Norway 77/82	99.50	5.28	9.12	0.17	due 1. 4.82
5¾% Norway 77/82	87.90	5.87	10.09	0.50	1. 6.82
4¾% Norway 78/83	95.75	4.98	9.78	0.92	1. 1.83
4½% Norway 78/83	94.10	4.65	9.94	1.17	1. 4.83
6¾% Norway 79/84	84.00	8.65	8.41	2.17	1. 4.84
7¾% Norway 80/85	95.65	7.84	9.24	2.95	15. 1.85
7¼% Norw. Mortgage 77/87	82.00	7.88	10.28	3.20	15. 5.83—87D
6% Norw. Mortgage 77/89	86.25	8.96	10.32	4.04	18.11.82—89D
7¾% Nova Scotia 71/86	95.35	8.13	8.95	2.74	1.12.77—86D
7% Nova Scot. Power 72/87	92.88	7.54	8.61	5.84	1.12.78—87S
9¾% Nuclebras 88/88 (G)	91.90	10.61	11.54	9.63	16. 9.88
6¾% Occident. Int. Fin. 78/90	79.00	8.54	10.60	8.84	1.12.85—90S
6½% Occident. Overs 68/83	94.00	6.91	10.77	1.87	1.10.72—83S
6% Oester. Donaukr. 69/84 (G)	97.00	5.19	8.34	1.49	1. 2.65—84D
6¾% Oester. Donaukr. 73/88 (G)	91.00	7.42	8.71	8.09	1. 3.79—88S
8¾% Oester. Donaukr. 75/85 (G)	98.75	8.88	9.43	2.06	1. 9.81—85D
7% Oest. El. Wirtsch. 67/87 (G)	95.25	7.35	9.49	2.37	1. 2.73—87D
7% Oest. El. Wirtsch. 78/83 PP (G)	94.20	7.43	10.54	1.86	18.12.83
5½% Oest. Ind. Verwaltung 78/85 PP (G)	96.00	6.40	10.56	3.42	1. 7.85
6½% Oest. Inv. Kredit. 79/84 PP	89.25	6.93	7.17	2.75	1.11.84
7% Oest. Kontrollbank 76/83 PP (G)	94.00	7.45	10.74	1.84	1.12.83
6¾% Oest. Kontrollbank 77/84 PP (G)	93.50	7.22	10.52	2.00	1. 2.84
6½% Oest. Kontrollbank 77/84 PP (G)	92.25	7.05	10.24	2.42	17. 7.84
6¼% Oest. Kontrollbank 77/84 PP (G)	90.50	6.91	10.74	2.50	1. 8.84
6% Oest. Kontrollbank 77/86 PP (G)	87.00	6.90	10.33	3.75	1.11.85
6¾% Oest. Kontrollbank 78/84 PP (G)	90.00	6.39	10.46	2.50	1. 8.84
6½% Oest. Kontrollbank 78/88 (G)	84.25	7.72	9.74	9.88	18.12.88
8% Oest. Kontrollbank 79/87 PP (G)	84.00	7.14	10.25	5.00	1. 2.87
7¾% Oest. Kontrollbank 79/88	87.50	9.43	8.75	7.67	1.10.89
8% Oest. Kontrollbank 79/84 PP (G)	95.50	8.38	9.87	2.84	1.12.84
7¾% Oest. Kontrollbank 79/96 PP (G)	91.50	8.61	10.16	4.88	16.12.86
8% Oest. Kontrollbank 80/87 (G)	95.50	8.38	9.16	5.00	1. 2.87
8¾% Oest. Kontrollbank 80/85 PP (G)	96.25	9.09	10.19	3.12	15. 3.85
8½% Oest. Kontrollbank 80/88 (G)	93.40	9.10	8.87	6.75	1.11.88
8% Oest. Kontrollbank 80/87 PP	96.75	8.30	9.79	5.29	15. 5.87
8¼% Oest. Kontrollbank 80/92	90.00	9.17	9.81	10.42	1. 7.92
7¾% Oest. Kontrollbank 80/88 PP (G)	88.75	8.73	10.18	8.59	1. 8.88
10¼% Oest. Kontrollbank 81/91	100.75	10.05	9.99	9.74	1.11.91
5¾% Oest. Länderbank 77/82	96.60	6.68	8.89	0.84	1.12.82
6½% Ontario 69/84	97.25	8.88	8.68	1.49	1. 2.75—84D
6% Ontario 72/87	88.90	6.67	10.10	2.95	1. 9.80—87D
7½% Ontario Hydro 71/89	97.00	7.73	8.78	2.75	1.12.77—86D
6½% Ontario Hydro 72/87	82.25	7.05	9.88	2.70	1. 9.80—87D
6½% Ontario Hydro 73/88	91.50	7.10	9.49	3.45	1. 9.81—88D
7½% Oslo 68/84	96.50	7.77	9.68	1.72	1.11.75—84D
7½% Oslo 71/87	96.00	7.81	8.69	4.92	2. 1.78—87S
6¾% Oslo 73/90	91.65	7.36	8.15	8.42	1. 7.78—90S
8% Oslo 75/87	99.00	8.08	8.25	5.08	1. 9.78—87S
8¾% Oslo 80/90	94.25	9.28	8.81	8.09	1. 9.83—90S
6¾% Papua 73/88	90.75	7.44	8.87	6.42	1. 7.79—88S
6¾% Parker-Hannifin 77/87 PP	87.00	7.76	11.79	3.22	1. 8.83—87D
7½% Parker-Hannifin 79/87 PP	88.25	8.50	10.99	4.38	1. 7.85—87D
8¾% Pemex 76/83	96.00	9.11	11.24	1.84	1.12.83
7% Pemex 77/84	90.75	7.71	11.28	2.99	1. 9.94
7% Pemex 78/88	87.75	7.68	11.01	3.92	1. 1.68
7% Petrobras 77/84	88.00	7.87	12.02	2.67	1.10.94
7% Petrobras 78/86	79.25	8.83	13.35	4.54	1.10.84—88D
8% Petrobras 79/89	81.00	8.88	12.89	5.55	1.10.85—89D
7¼% Philippine 77/84	88.60	8.18	12.35	2.75	1.11.84
6¾% Philippine 78/85	86.00	7.85	12.33	3.17	1. 4.85
8¾% Philips 75/82	99.75	8.77	10.48	0.12	due 15. 3.82
5¾% PK-Banken 78/88	83.00	8.93	11.06	4.15	1. 5.84—88D
8¾% Postipankki 79/85 PP	96.00	6.38	8.20	1.45	1. 2.82—85D
7¼% Privatbk. Copenh. 77/83 PP	95.90	7.59	11.53	1.17	1. 4.83
6¼% Pyhrn Autobahn 77/89 (G)	84.00	7.44	10.55	4.84	1. 8.84—89D
6½% Quebec 72/87	90.50	7.18	10.60	2.77	1. 7.78—87D
7½% Quebec 77/87	90.25	8.31	10.08	5.00	1. 2.87
7¼% Quebec 77/87	90.20	8.04	9.87	5.34	1. 6.87
6% Quebec 78/90	81.50	7.36	10.52	5.61	1. 5.85—90D
10¾% Quebec 81/91	103.00	10.44	10.22	9.57	1. 9.81
6¾% Quebec Hydro El. 68/84	88.25	8.67	7.86	2.00	1. 2.75—84S
7¼% Quebec Hydro El. 69/84	96.25	7.53	10.15	1.55	1. 8.75—84D
8% Quebec Hydro El. 71/86	96.00	8.33	10.09	2.49	1. 9.77—86D
6½% Quebec Hydro El. 72/87	89.75	7.24	10.56	3.07	1. 4.78—87D
6½% Quebec Hydro El. 73/88	88.50	7.34	11.41	2.87	1. 3.79—88D
6½% Quebec Hydro El. 77/87	88.25	7.37	8.29	5.54	16. 8.97P
6¾% Quebec Hydro El. 77/87	85.40	7.32	8.63	5.84	1.12.87P
10¼% Quebec Hydro El. 81/91	102.00	10.05	8.91	8.82	1.12.81
8½% Queensland Alu. 70/85	97.55	8.71	8.50	8.75	1.11.76—85S
5¾% Rautaruukki 78/88 (G)	83.75	8.87	10.89	4.07	1. 4.84—88D
7¼% Reed Paper 78/88	81.75	7.80	9.11	5.92	1. 1.79—88S
7½% Renault 80/86 PP	90.00	8.33	10.99	3.59	1. 8.86
10¾% Renault 81/86 PP	100.50	10.70	10.56	4.42	1. 7.86
8½% Renfe 78/82 (G)	98.86	8.80	11.17	0.42	1. 7.82
8% Renfe 77/84 (G)	94.00	8.51	11.24	2.17	1. 4.84
7% Renfe 78/87 (G)	83.25	8.41	11.33	5.34	1. 6.87
8% Rep. Chile 80/86	96.25	9.45	10.34	4.60	1. 8.86

WestLB Euro-Deutschmarkbond Yield Index

Jan. 29, 1982: 10.23% (Dec. 31, 1981: 10.33%)

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment
5¼% Ricoh Comp. 78/83	82.50	5.68	10.87	1.50	1. 8.83
7¾% Roy. Bk. of Canada 80/90	92.00	8.42	9.13	6.50	1. 8.90
6¾% Roy Lease 78/84 PP	92.00	7.34	10.30	2.67	1.10.84
7¾% SAAB 71/86	93.25	8.31	9.92	4.34	1. 9.77—86S
7¾% Saga Petroklemi 77/87 PP	96.50	8.02	9.05	6.42	1. 7.83—87S
7½% Sandvik 72/87	91.90	8.18	10.91	2.80	1. 2.78—87D
9¼% Sandvik 75/83	99.95	9.28	8.58	1.00	1. 2.83
7% Sanko Steamship 77/84	94.75	7.39	10.02	2.00	1. 2.84
8¼% Saiyu Stores 80/88	93.00	8.97	10.43	4.09	1. 3.86
6½% Shell Int'l. 72/87	94.25	6.90	7.89	5.17	1. 4.78—87S
6¾% Shell Int'l. 77/89	89.35	7.55	8.57	4.91	1. 2.85—89D
7% Singapore 72/82	98.50	7.11	11.01	0.42	1. 7.78—826
6½% Singapore 77/83	94.25	6.90	11.63	1.25	1. 5.83
8½% Sira Kvina 70/85	97.25	8.74	10.48	1.77	1. 6.76—850
6½% S.N.C.F. 68/83 (G)	95.75	8.78	9.32	1.67	1.10.72—83S
7½% Soc. Dev. Reg. 78/86 (G)	93.75	6.00	10.07	2.50	1. 4.80—86D
6¾% Soc. Dev. Reg. 77/92 PP (G)	80.00	7.91	11.00	5.96	16.12.83—92D
9% Soc. Mar. Fins 78/83 PP	97.50	9.23	12.80	0.74	1. 5.79—83D
6¾% Sorronto 79/84 PP	90.50	6.81	11.86	1.96	18. 1.84
6¾% South-Africa 69/84	99.50	6.78	7.12	2.17	1. 4.73—84S
8½% South-Africa 70/85	99.25	8.56	6.82	3.75	1.11.76—85S
7¾% South-Africa 71/86	97.25	7.87	6.84	4.75	1.11.77—86S
7% South-Africa 72/87	80.90	7.70	8.09	5.75	1.11.78—87S
8% South-Africa 80/87	97.50	8.23	9.59	5.42	1. 7.87
7¾% South-Afr. Oil Fund 78/82 I PP (G)	97.25	7.97	13.50	0.50	1. 8.82
7¾% South-Afr. Oil Fund 78/82 II PP (G)	97.25	7.97	12.38	0.63	16. 9.82
8% South-Afr. Oil Fund 79/83 PP (G)	92.50	8.65	13.00	1.75	1.11.83
7¾% South-Afr. Oil Fund 79/84 PP (G)	92.00	8.42	12.31	2.09	1. 9.84
7½% South-Afr. Railway 73/88 (G)	90.00	8.33	9.67	6.34	1. 8.79—88S
7¾% South-Afr. Railway 78/82 PP (G)	98.50	7.87	13.78	0.25	due 1. 5.82
8% South-Afr. Railway 78/83 I PP (G)	93.50	8.56	13.22	1.42	1. 7.83
8% South-Afr. Railway 78/83 II PP (G)	95.50	8.56	12.89	1.59	1. 8.83
7¾% South-Afr. Railway 78/83 PP (G)	92.50	8.38	12.53	1.84	1.12.83
7% South Scotl. El. 73/88 (G)	92.00	7.61	8.77	8.00	1. 2.79—88S
6¾% Spain 77/84	91.00	7.42	11.02	2.50	1. 8.84
8% Spain 78/88	81.65	7.35	10.09	6.25	1. 5.88
6% Sparbank Oslo 78/90 PP	85.00	7.06	10.84	3.95	16. 5.81—90D
7¾% Standard Imp. & Exp. 78/82 PP	97.75	7.33	12.39	0.50	1. 8.32
6½% Stand. Chart. Bank 78/88	84.85	7.66	10.01	5.82	1. 1.88

CONVERTIBLES

[illegible]

WestLB Euro-Deutschmarkbond Quotations (Continued)

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory drawing by lot at par S-sinking fund P-purchase fund
8% Statoil 78/88 (G)	84.25	7.12	9.29	6.59	1. 9.84—88S
6½% Statoil 79/89 (G)	86.50	7.51	9.17	7.09	1. 3.85—89S
7% Statsforetag 77/85	93.00	7.53	10.98	2.05	1. 3.82—85D
6¾% Stockholm County 75/87	95.25	8.19	10.82	3.07	1. 4.78—87D
8½% Sumitomo Metal 75/82	99.25	8.56	10.16	0.42	1. 7.82
7½% Sun Oil Int. Fin. 73/88	94.40	7.94	8.65	6.50	1. 8.79—88S
7¼% Svenska Cell. 73/88	89.50	8.19	8.88	6.00	1. 2.79—88S
10¼% Svenska Hdl. Bk. 81/87	100.00	10.25	10.23	5.73	20.10.87
6¾% Sveriges Inv. Bk. 72/87	92.60	7.29	8.80	5.09	1. 3.78—87S
7% Sveriges Inv. Bk. 73/88	93.25	7.51	8.46	6.09	1. 3.79—88S
8½% Sveriges Inv. Bk. 75/83	98.50	8.64	8.85	1.34	1. 8.80—83S
6½% Sweden 77/84	93.50	6.95	8.83	2.25	1. 5.84
6% Sweden 77/89	81.25	7.38	9.49	7.84	1.12.83—89S
7¼% Sweden 79/89	88.25	8.78	10.05	7.42	1. 7.89
7½% Sweden 79/89 PP	85.25	8.80	10.41	7.50	1. 8.89
8% Sweden 80/87 PP	90.75	8.82	10.45	5.04	16. 2.87
9¾% Sweden 80/87	100.00	8.75	9.73	6.17	1. 4.87
9% Sweden 80/87 PP	95.25	9.45	10.18	5.29	15. 5.87
9¼% Sweden 80/87 PP	95.50	9.69	10.31	5.75	1.11.87
7¾% Sweden 80/90	88.00	8.95	10.01	8.59	1. 9.90
9½% Swedish Export 80/87	96.75	9.82	10.25	5.84	1.12.84—87S
10¾% Swedish Export 81/91	99.75	10.28	10.28	9.74	1.11.88—91
9% Tauernautobahn 75/82 PP (G)	99.60	9.04	13.41	0.09	due 1. 3.82
9% Tauernautobahn 75/83 PP (G)	98.75	9.11	10.24	1.09	1. 3.83
5½% Tauernautobahn 78/93 (G)	73.80	7.45	9.38	11.17	1. 4.84—93S
8½% Tauernautobahn 80/90 (G) PP	91.50	9.29	9.99	8.71	16.10.90
7% Tauernkraftwerke 68/83 (G)	98.75	7.09	6.50	1.00	1. 2.74—83D
6½% Tauernkraftwerke 68/83 (G)	96.25	8.62	7.83	1.59	1. 9.74—83S
9% Tenpfinco 73/93	82.65	8.63	9.03	11.75	1.11.82—93S
8½% Tenpfinco 76/82 PP	98.50	8.65	15.10	0.09	due 1. 3.82
6¼% Thailand 78/83 PP	92.00	8.79	14.08	1.17	1. 4.83
8¾% Thyssen Car. Fin. 75/82 PP	99.40	8.55	11.86	0.17	due 1. 4.82
8¼% Thyssen Car. Fin. 75/82 PP	98.85	8.36	11.45	0.42	1. 7.82
7¼% Tokyo El. Power 68/84	86.00	7.55	9.94	1.80	1.12.75—84D
6½% Tokyo El. Power 78/85	92.70	7.01	8.18	3.25	1. 5.85
5¼% Toyo Rubber 78/83 PP	83.00	5.91	10.23	1.67	1.10.83
6½% Traf. House Fin. 72/87	81.25	7.12	8.49	5.67	1.10.78—87S
6% Trinidad & Tobago 78/83	94.75	6.33	10.88	1.17	1. 4.83
6¾% Trondheim 68/83	84.75	7.12	10.16	1.84	1.12.72—83S
5¾% Trondheim 78/88	82.00	7.01	10.44	5.14	1. 4.86—88D
7½% TRW Int. Fin. 68/84	98.00	7.91	9.43	2.67	1.10.75—84S
6% TVO Power 78/88 (G)	83.00	7.23	9.89	6.00	1. 2.84—88S
5¾% UDS Group 78/83	92.50	8.22	11.11	1.59	1. 9.83
8½% Unilever 75/87	98.25	8.65	8.91	5.25	1. 5.81—87S
6½% Union Bank Finland 78/88	83.00	7.83	10.03	6.88	16.12.84—88S
5¾% Uniroyal 78/84 PP	84.75	8.78	13.26	2.50	1. 6.84
6¾% Unit. Arab. Emirat 77/82 PP	98.50	6.85	12.89	0.25	due 30. 4.82
7% Venezuela 68/83	97.75	7.16	8.84	1.87	1.10.74—83S
8% Venezuela 78/88	75.75	7.92	11.80	6.09	1. 3.84—88S
6½% Venezuela 78/90	76.50	8.50	10.77	8.75	1.11.85—90S
9¾% Venezuela 80/90	95.75	10.18	10.50	8.75	1.11.86—90
11½% Venezuela 81/91	100.00	11.50	11.48	9.82	1.12.91
8¼% Vienna 75/84	98.35	8.39	9.43	1.47	11. 8 79—84D
5¾% Vienna 77/84 PP	88.50	6.50	10.58	2.87	15.12.84
6½% Voest-Alpine 73/88	96.00	8.86	9.31	6.67	1.10.79—88S
8½% Voest-Alpine 75/85	87.00	8.76	10.98	1 77	1. 6.81—85D
6¾% Voest-Alpine 77/89	85.75	7.87	10.76	4.89	1. 8.84—89D
6½% Wells-Fargo ex w. 73/88	90.00	7.22	8.50	6.75	1.11.79—88S
8¾% Westland-Utrecht 80/85 PP	92.50	9.46	11.77	3 09	1. 3.85
9% Westland-Utrecht 80/87 PP	90.00	10.00	11.45	5.76	1.11.87
5½% Worldbank 65/85	98.25	6.60	6.21	3.17	1. 4 71—85S
6½% Worldbank 68/84 PP	94.65	8.87	10.77	1.41	2. 1.77—84D
6½% Worldbank 69/84	98.50	6.81	10.53	1.30	1. 6.75—84D
6½% Worldbank 69/84 PP	94.30	6.89	11.06	1.41	2. 1.77—84D
6% Worldbank 69/84 PP	93.25	6.43	10.63	1.66	1. 4.77—84D
8% Worldbank 70/88	96.75	8.27	9.59	2.36	1. 1.77—86D
7½% Worldbank 71/86 I	94.50	7.94	10.33	2.24	1. 6.77—86D
7½% Worldbank 71/86 II	94.00	7.98	10.09	2.74	1.12.77—86D
6½% Worldbank 72/82	98.65	6.59	9.75	0 42	1. 7.82
6¾% Worldbank 72/87	91.25	7.40	10.29	2.99	1. 3.78—87D
6¾% Worldbank 73/83	97.40	6.93	9.59	1.00	1. 2.83
6¾% Worldbank 73/88	90.25	7.08	10.22	3.08	1. 5.79—88D
6¼% Worldbank 76/82 PP	88.15	8.32	10.66	0.34	due 1 8.82
8% Worldbank 75/82	98.80	8.11	9.75	0.84	1.12.82
8¼% Worldbank 75/83	98.10	8.41	9.67	1.42	1. 7.83
8% Worldbank 76/82 PP	98.70	8.11	10.67	0.50	1. 8.82
7¾% Worldbank 76/82 PP	98.25	7.89	10.45	0.67	1.10.82
7½% Worldbank 76/83	87.50	7.69	9.66	1.25	1. 5.83
7¾% Worldbank 76/83	96.75	8.01	9.80	1.67	1.10.83
6¾% Worldbank 76/83 PP	94.00	7.18	10.48	1.84	1.12.83
8% Worldbank 76/84	97.50	6.21	9.43	2.00	1. 2.84
5½% Worldbank 77/82 PP	97.40	5.65	9.89	0.62	15. 8.82
7% Worldbank 77/85 PP	92.00	7.61	10.14	3.09	1. 3 85
8½% Worldbank 77/85 PP	88.00	7.30	10.85	3.25	1. 3.85
8% Worldbank 77/85	96.80	6.70	9.50	3.62	15. 8.85
7% Worldbank 77/87	89.65	7.81	9.74	4.92	1. 1.87
6½% Worldbank 77/87	85.50	7.51	8.90	5.25	1. 5.87
5¾% Worldbank 78/84	91.35	6.29	8.76	2.60	1. 8.84
8% Worldbank 78/88	81.65	7.33	9.90	6.50	1. 8.88
6¼% Worldbank 78/88	82.75	7.55	9.82	6.84	1.12.89
6¾% Worldbank 78/90	80.00	7.19	10.13	6.44	1. 2 87—90D
7% Worldbank 78/85 PP	90.75	7.71	10.24	3.50	1. 9.85
7½% Worldbank 78/87 PP	87.00	8.19	10.32	5.50	1. 8.87
7¼% Worldbank 79/91	87.25	6.88	9.88	9.42	1. 7.91
10% Worldbank 80/88	103.50	9.66	8.95	4.25	1. 5.86
8½% Worldbank 80/88 PP	92.00	8.24	10.26	6.32	1. 8.88
8% Worldbank 80/88 PP	95.25	8.45	10.04	6.25	1. 5.88
7¼% Worldbank 80/90	89.50	8.80	9.84	7.92	1. 1.90
7¾% Worldbank 80/90 II PP	88.00	8.95	10.15	7 92	1. 1.90
10% Worldbank 80/90	101.75	9.83	9.67	8.25	1. 6.90
8% Worldbank 80/90	90.15	8.87	9.74	8.50	1. 8.90
7¼% Worldbank 80/88 PP	98.75	8.73	10.18	6.50	1. 8.89
9¼% Worldbank 81/91	97.25	9.51	9.72	8.82	1. 1.91
10% Worldbank 81/91	102.15	8.79	9.62	8.25	1. 5.91
10½% Worldbank 81/91	102.50	10.24	10.06	9.60	1. 8.91
11% Worldbank 81/91	104.00	10.58	10.30	9.59	1. 9.91
10% Worldbank 81/91 II	100.25	9.98	8.95	9.82	1.12.91
6¾% Yokohama 68/83 (G)	99.50	6.78	7.21	1.59	1. 9.73—83S
7% Yokohama 69/84 (G)	99.50	7.04	7.33	2.67	30. 8.73—84S
8% Yokohama 71/86 (G)	88.50	6.12	8.36	4.60	1. 8.77—86S
8% Yugosl. Inv. Bank 77/84 PP	90.50	8.84	12.08	2.67	15.12.78—84S

INVESTMENT FUNDS

The following funds include Eurobond issues within their portfolios

Quotations & yields as at 31st January, 1982

SOCIETE GENERAL De BANQUE

BANQUE GENERALE Du LUXEMBOURG

Funds 31/1/82	Price	First Issue Price	Yield %	Div. Date	1/2/81 High	31/1/82 Low	1/2/79 High	31/1/82 Low
Rentinvest	LuxFr888	LuxFr1000	9.72	20/11/81 (84)	LuxFr911	LuxFr763	LuxFr911	LuxFr727
Capital Rentinvest	LuxFr1951	LuxFr1000	Capitalisation		LuxFr2009	LuxFr1467	LuxFr2009	LuxFr1321

TELEVISION

They will insist on launching new series with movie-length "specials" which prove to be too long by about a third. BBC-1's Bret Maverick was the most recent, but tonight when the series starts in earnest it contracts to 50 minutes which is probably about right. It is interesting to have a Western back on screen, especially with the central role being played by the same actor—James Garner—who created it 20 years ago.

Andrew Sachs (Manuel from Fawlty Towers) stars in ITV's new comedy series Dead Ernest which is set in the highly original locale of heaven. Panorama (BBC-1) looks at the state of the Labour Party, and Robert Keen interviews Michael Foot. BBC-2's Horizon is devoted to "The Cline Affair," Dr Martin Cline's experimental treatment involving genetic engineering in humans. And (contrary to the billing in Radio Times) Police on BBC-1 deals with a robbery at a petrol station.

BBC 1

6.40-7.30 am Open University (UHF only). 9.08 For Schools. 10.00 You And Me. 10.15-12.07 pm For Schools, Colleges. 12.30 News After Noon. 1.00 Pebble Mill At One. 1.45 Camberwick Green. 2.01 For Schools, Colleges. 3.00 Delia Smith's Cookery Course. 3.25 See Hear! 3.53 Regional News for England (except London). 3.55 Play School. 4.20 Winsome Witch. 4.25 Jackanory. 4.40 Scooby and Scrappy Doo. 5.00 John Craven's Newsround. 5.05 Blue Peter. 5.35 Ivor The Engine.

5.40 News.
6.00 Regional News Magazines.
6.25 Nationwide.
6.55 Doctor Who, starring Peter Davison.
7.20 Bret Maverick, starring James Garner.
8.10 Panorama.
9.00 News.
9.25 Last of the Summer Wine, starring Bill Owen, Peter Sallis and Brian Wilde.
9.55 Police — Inside the Thames Valley Constabulary ("Panda Six").
10.35 Film 82 with Tina Brown.
†11.05 Phil Silvers as Sergeant Bilko.
11.33 News Headlines.
11.35 Speak For Yourself: "Asking for Time Off Work."

BBC 2

7.05-7.55 am Open University.
10.35 Speak For Yourself.
11.00 Play School.
11.25 Play It Safe!
11.35 Write Away!
2.00 pm Long, Short and Tall Stories.
2.25 Maths Help.
2.40 Other People's Lives.
3.05 The Computer Programme.
3.30 Business Club.
†3.55 Star Movie: "You Never Can Tell," starring Dick Powell.
5.10 Priory School — Management In Action.
†5.40 Laurel and Hardy in "Any Old Port."
6.00 Maggie.
6.25 Mr Smith's Favourite Garden.
6.50 News Summary.
6.55 Riverside.
7.25 The Genuine Article.
7.50 Crufts.
8.25 Grace Kennedy.
9.00 Irish General Election Special.
9.25 Horizon.
10.15 West Country Tales.
10.45 Newsnight.
11.30 Télé-Montage.

LONDON

9.30 am Schools Programmes. 12.00 Cockleshell Bay. 12.10 pm Rainbow. 12.30 That's The Way. 1.00 News with Peter Sissons, plus FT Index. 1.20 Thames News with Robin Houstin. 1.30 About Britain. 2.00 Money-Go-Round: Joan Shenton and Tony Bastable investigate consumer problems. 2.34 Monday Matinee: Gregory Peck in "The Million Pound Note." 4.15 Dr Snuggles. 4.20 Graham's Ark. 4.45 The Book Tower. 5.15 Mr and Mrs.

5.45 News.
6.00 Thames News with Andrew Gardner and Rita Carter.
6.25 Help! with Viv Taylor Gee.
6.35 Crossroads.
7.00 Wish You Were Here . . .?
7.30 Coronation Street.
8.00 Dead Ernest
8.30 World In Action: A Bankrupt Game—English Soccer.
9.00 Hill Street Blues.
10.00 News.
†10.30 "Life At The Top," starring Laurence Harvey, Jean Simmons and Honor Blackman.
12.40 am Close: "Sit Up And Listen" with Elisabeth Lutyens.

† Indicates programme in black and white

All IBA Regions as London except at the following times:

ANGLIA

1.20 pm Anglia News. 2.30 Monday Film Matinee: "Geordie," starring Alastair Sim and Bill Travers. 5.15 University Challenge. 6.00 About Anglia. 6.30 Survival. 10.30 Anglia Reports. 1.00 The Palace Presents—Jack Jones' guests are Henry Mancini and singer Leslie Uggams. 12.00 Superstar Profile. 12.30 am Reflection.

BORDER

1.20 pm Border News. 2.00 Film: "Rhodes of Africa," starring Walter Huston. 3.45 Money-Go-Round. 5.15 Bygones. 6.00 Lookaround Monday. 6.15 The Sound Of . . . Sandy and Derrick. 6.30 Mr and Mrs. 10.30 Thriller. 11.40 Border News Summary.

CENTRAL

1.20 pm Central News. 2.00 Star of the Week: Alec Guinness in "The Horse's Mouth." 3.45 Money-Go-Round. 6.00 Central News. 10.30 Parents and Teenagers. 11.00 Central News. 11.05 Left, Right and Centre. 11.45 Paris by Night. 12.15 am Something Different.

CHANNEL

1.20 pm Channel Lunchtime News, What's On Where and Weather. 2.30 The Monday Matinee: "Search for the Gods." 5.15 Emmerdale Farm. 6.00 Channel Report. 6.30 The Two of Us. 10.28 Channel Late News. 10.35 Ladies' Man. 11.05 Golfing Greats (Severiano Ballesteros). 11.30 Barney Miller. 11.55 News and Weather in French.

GRAMPIAN

9.25 am First Thing. 1.20 pm North News. 2.30 Monday Matinee: "Seeds of the Desert," starring Charlie Drake. 6.00 North Tonight. 6.30 Country Focus. 10.30 Monday Movie: "Blind Terror," starring Mia Farrow. 12.10 am North Headlines.

GRANADA

1.20 pm Granada Reports. 2.30 Monday Matinee: "The Last Day of the War." 5.15 Dick Turpin. 6.00 Mr Merlin. 6.30 Granada Reports. 9.00 Quincy. 10.30 Danger UXB. 11.30 City of Angels.

HTV

1.20 pm HTV News. †2.30 Monday Matinee: "Double Bunk," starring Ian Carmichael and Janette Scott. 6.15 Diff'rent Strokes. 6.00 HTV News. 10.28 HTV News. 10.30 Soap. 11.00 Parents and Teenagers. 11.30 The Living Legends of Jazz and Blues featuring Koko Taylor.

HTV Cymru/Wales—As HTV West except: 12.00-12.10 pm Flatalsbalam. 4.15-4.20 Mr Magoo. 4.45-5.15 Sêr. 6.00 Y Dydd. 6.30-7.00 Report Wales. 8.30-9.00 Yr Wythnos. 11.00 World In Action. 11.30-12.00 Parents and Teenagers.

SCOTTISH

1.20 pm Scottish News. 2.00 Monday Matinee: "The Last Day of the War," starring George Maharis. 3.45 Money-Go-Round. 5.15 Emmerdale Farm. 6.00 Scotland Today. 6.40 Crime Desk. 10.30 Late Call. 10.35 Golfing Greats—Peter Thompson. 11.05 Thriller.

TVS

1.20 pm TVS News. 2.30 Monday Matinee: "The President's Mistress" (TV movie). 6.15 Radio. 5.30 Coast to Coast. 6.00 Coast to Coast (continued). 8.30 Stiff Little Fingers. 10.30 A Full Life: Lord George Brown. 11.00 Thriller: "Death in Small Doses." 12.25 am Company.

TSW

1.20 pm TSW News Headlines. 2.30 "Search for the Gods." 4.12 Gus Honeybun's Magic Birthdays. 6.15 Emmerdale Farm. 6.00 Today South West. 6.30 The Two of Us. 10.32 TSW Late News. 10.35 Ladies' Man. 11.05 Golfing Greats (Severiano Ballesteros). 11.30 Barney Miller. 11.55 Postscript. 12.00 South West Weather. 12.01 am Close Down.

TYNE TEES

9.20 am The Good Word. 9.25 North East News. 1.20 pm North East News and Lookaround. 2.30 Monday Matinee: "Sapphire," starring Nigel Patrick and Yvonne Mitchell. 5.15 Happy Days. 6.00 North East News. 6.02 Mr and Mrs. 6.25 Northern Life. 10.30 North East News. 10.32 Briefing. 11.16 Lou Grant. 12.10 am A Look at Bellringing.

ULSTER

1.20 pm Lunchtime. 2.30 Monday Matinee: "Coney Island," starring Betty Grable and Cesar Romero. 4.13 Ulster News. 6.15 Radio. 5.30 Good Evening Ulster. 6.00 Good Evening Ulster. 6.30 Mr and Mrs. 9.00 Quincy. 10.29 Ulster Weather. 10.30 Welcome Back Kotter. 11.00 Face Your Future. 11.25 News at Bedtime.

YORKSHIRE

1.20 pm Calendar News. †2.30 Monday Matinee: "Mr Perrin and Mr Traill," starring Marius Goring. 6.00 Calendar (Emley Moor and Belmont editions). 6.30 It's a Vet's Life. 9.00 Quincy. 10.30 There's Life North of Watford. 11.00 Lou Grant.

RADIO

(S) Stereophonic broadcast
‡ Medium wave.

RADIO 1

5.00 am As Radio 2. 7.00 Mike Read. 9.00 Simon Bates. 11.30 Dave Lee Travis. 2.00 pm Paul Burnett. 3.30 Steve Wright. 5.00 Peter Powell. 7.00 Stayin' Alive with Andy Peebles. 8.00 David Jensen. 10.00-12.00 John Peel (S).

RADIO 2

5.00 am Ray Moore (S). 7.30 Terry Wogan (S). 10.00 Jimmy Young (S). 12.00 Gloria Hunniford (S). 2.00 Ed Stewart (S). 4.00 David Hamilton (S). 5.45 News; Sport. 6.00 John Dunn (S). 8.00 Folk on 2 (S). 9.00 Humphrey Lyttelton with the Best of Jazz (S). 9.55 Sports Desk. 10.00 Monday Movie Quiz with Ray Moore. 10.30 Star Sound with Nick Jackson. 11.00 Brian Matthew with Round Midnight. 1.00 am Truckers' Hour (S). 2.00-5.00 You and the Night and the Music (S).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 Morning Concert (S). 8.00 News. 8.05 Morning Concert (continued). 9.00 News. 9.05 This Week's Composer: Antonin Dvorak (S). 10.00 Music for Organ (S). 10.25 Lucia Popp, song recital (S). 10.55 Music for Guitar (S). 11.25 BBC Symphony Orchestra (S). 1.00 pm News. 1.05 BBC Lunchtime Concert (S). 2.05 Matinée Musicale (S). 3.05 The Songs of Mussorgsky (S). 3.35 New Records (S). 4.55 News. 5.00 Mainly for Pleasure (S). 7.00 Aspects of the Blues by Francis Smith. 7.30 Sibelius (S). 8.00 East West Report. 8.45 College Concert, part 1: Boulez, York Holler (S). 9.25 On Tour (short story). 9.50 College Concert, part 2: Johannes Kalitzke, Gyorgy Ligeti (S). 10.30 Jazz in Britain featuring the Tony Oxley Percussion Ensemble (S). 11.00 News. 11.05-11.15 Moscheles (S).

RADIO 4

6.00 am News Briefing. 6.10 Farming Week. 6.25 Shipping Forecast. 6.30 Today. 8.35 The Week on 4. 8.45 Glyn Worsnip delves into the BBC Sound Archives. 9.00 News. 9.05 Start the Week with Richard Baker (S). 10.00 News. 10.02 Money Box. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Down Your Way visits Swindon. 11.50 Poetry Please! 12.00 News. 12.02 pm You and Yours. 12.27 Legal, Decent, Honest and Truthful (S). 12.55 Weather, programme news. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.02 Afternoon Theatre. 4.35 Back in Ten Minutes. 4.45 Story Time. 5.00 PM: News Magazine. 5.50 Shipping Forecast. 5.55 Weather, programme news. 6.00 News, including Financial Report. 6.30 Just a Minute (S). 7.00 News. 7.05 The Archers. 7.20 Start the Week with Richard Baker (S). 8.00 The Monday Play (S). 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 Science Now. 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 12.00 News.

Fault inherent in Harman judgment

THE WEEK IN THE COURTS

BY JUSTINIAN

IN THE absence of anything in English law remotely comparable to the freedom-of-information legislation in the United States, it was perhaps inevitable that the more traditional (dare one say "conservative," even with a small c?) judges, steeped in the principles of privately conducted litigation, would decide that Miss Harriet Harman, legal officer for the National Council for Civil Liberties, was guilty of contempt of court in allowing a journalist to read documents in her possession as a solicitor for one of the parties, which had been referred to in open court during the litigation.

Fortunately, Lords Simon of Glaisdale and Scarman, in their vigorous joint dissent, have rescued the English judiciary from the justified accusation of a narrowness of mind that all too frequently characterises the approach of the English judge.

Although the dissent is primarily accredited to Lord Scarman (because he delivered the judgment), the significance of his collaborator should not be lost on the public.

Lord Scarman, a practising lawyer, judge and first Chairman of the Law Commission, who has been the loudest advocate among the judiciary for a latter-day Bill of Rights, was predictably in favour of the widest possible freedom of communication.

Lord Simon of Glaisdale, who must be rated one of the finest intellects that has graced our modern judiciary, had before becoming a judge a vast experience of public administration that might have led him to preserving in the public interest the secrets of government, if not the confidences of non-governmental litigants.

He was a Conservative MP from the mid-1950s until he became president of the Divorce Division in 1952.

During that time he was successively a junior minister at the Home Office (the very department that sought to protect the internal memoranda of its prison department from more public scrutiny than the court proceedings strictly necessitated), Financial Secretary to the Treasury and Solicitor-General.

His vote for a wider dissemination of information to the public must be viewed in part at least as a permanent rebuke to his judicial colleagues.

Lord Diplock's insistence that the case was "not about freedom of speech, freedom of the Press, openness of justice or documents coming into 'the public domain'" is a hollow protestation.

His further opinion that the case did not even call for consideration of any of the human rights and fundamental freedoms guaranteed in the European Convention on Human Rights may, however, have more substance. (We shall in due course see whether that is a sound opinion, for the NCCL promises to take its case to the Commission at Strasbourg.)

But any instance where the public has the opportunity of learning for itself what is being done by government in the public's name, even if it arises out of the limited area of a distinct and novel piece of litigation, can hardly have failed to arouse at least debate about the nature and precise scope of the principle of freedom of communication. (The Home Office was being sued by an ex-prisoner over his alleged unlawful confinement in a control unit at Wakefield Prison in 1974.)

The case could be viewed, as Lord Diplock desired it to be, on the limited question of the scope of disclosing documents in civil actions in the courts. Had it not been for the adverse ruling to Miss Harman, the dissenters might have felt content so to limit the scope of their judgment.

The practice of compelling disputants in legal proceedings to produce to their adversary, for inspection and copying, all documents in their possession or control that contain information enabling the rival to advance his own case or to refute the opponent's contention is a feature peculiar to the English system of litigation.

Disputes which are brought to law in England are not orchestrated by the courts but by the parties according to recognised procedures.

From time to time the courts will have to determine pre-trial issues whether one or other party is complying with that procedure.

Otherwise the court retains an Olympian aloofness and awaits the day of trial; when it will adjudicate on the material adduced by evidence put before it by the rival parties. Rarely, if ever, does the judge himself call for evidence that the parties do not wish to adduce before him.

In the civil law systems of Western Europe it is quite different. The moment that the jurisdiction of the court is invoked by a party aggrieved by some wrong perpetrated on him, the judge becomes directly in control of the preparation of the case for trial.

It is his duty to determine what material is relevant and what he wants, and it is his task to inform himself of the applicable law. He will say what documents he needs and may take whatever steps are necessary to provide any immunity from disclosure.

Moreover, there is no established general rule that civil actions must be heard in open court, and the parties to the litigation are entitled to remain anonymous.

The Benthamite doctrine that proceedings in a court must be in public is not to satisfy public curiosity about the private affairs of individuals who have recourse to the courts for the resolution of their disputes. Nor is it even primarily to facilitate public discussion on matters of general interest that may emerge in the course of the litigation.

The reason for openness of court proceedings is that "publicity is the very soul of justice. It is the keenest spur to exertion and the surest of all guards against improbity. It keeps the judge himself while trying under trial."

The English adoption of that doctrine is not wholly in accord with Continental countries. But it is because the proceedings are in the open, subject not merely to surveillance of judicial probity but also to public scrutiny of the parties' conduct and the material disclosed to reveal their peccadilloes or even worse behaviour, that arbitration is such a favoured method in England of resolving disputes.

Although considerably more expensive than going to court, arbitration has the distinct advantage of being conducted privately — out of public sight or knowledge.

Those who go to arbitration know that they are avoiding the potential obloquy that may follow the searchlight of public scrutiny. Once, however, confidential documents are read out in proceedings in open court, confidentiality flies out of the courtroom window.

The majority of the Law Lords were therefore quite wrong to conclude that confidentiality of documents survived their public airing, and must not be shown subsequently to a journalist or any other interested commentator.

Once publicly disseminated, there is no clawing back of the publicity on the grounds of an erstwhile confidentiality.

The proponents of a freedom-of-information statute for the United Kingdom may in fact claim a victory out of the jaws of a temporary defeat.

Lords Simon of Glaisdale and Scarman have now ensured that the subject will not be quietly confined to the law reports. Their impressive judgment will stand as a testament for the future development of open government.

RACING

BY DOMINIC WIGAN

IF BROADSWORD can, as his trainer David Nicholson anticipates, win today's 12-runner City Trial Hurdle with Command there will be no denying that we have in store the most competitive Champion Hurdle for many years.

Lord Northampton's five-year-old, successful last time out, has already won over this Nottingham two miles having won there last season on his way to a narrow Triumph Hurdle defeat.

However, he will need to be every bit as impressive as when he recently took advantage of a 2 lbs concession from Heighlin over 2½ miles at Cheltenham if he is to keep his position as second favourite for the Champion Hurdle.

Although this return to the minimum distance will not favour Broadsword, a genuine stayer on the Flat, it will be disappointing if he cannot follow the lead of Daring Run and Ekbalco who both excelled on Saturday as they ran their final trial races.

Broadsword, bidding to become the first of his age to lift the crown since Night Nurse beat Bird's Nest six years ago, could win there at the expense of a likely win-and-place bet in Secret Ballot.

Secret Ballot, a half-brother by Reform to Beacon Light, had some extremely useful form over hurdles to his credit before being sent chasing last season.

NOTTINGHAM
1.00—Aviva
1.30—Brave Fellow
2.00—Jimbrook*
2.30—Broadsword
3.00—Moonshot
3.30—Troyswood
4.00—Ovington Court***

PLUMPTON
3.45—Abbey Brig
4.15—Airstream
4.45—Harvest Supper**

THE MANAGEMENT PAGE: Small Business

EDITED BY CHRISTOPHER LORENZ

A key to 'quality' in working life

The DoE's Work Research Unit has attracted support on both sides of industry. Brian Groom reports

OLIVER TYNAN insists that a growing number of British employers are seeking ways to improve the job satisfaction of their members, in spite of the recession.

It seems a strange assertion, at a time when some workers accuse managements of forcing through unpalatable changes in working practices. Tynan, director of the Department of Employment's Work Research Unit, concedes that companies with their backs to the wall are driven to extreme measures.

"Some feel it's no good consulting—they've got to do something quickly. The decisions are so uncomfortable that they had better take them themselves and just take the consequences."

Many companies are not in such a bad way he says. They are, nonetheless, faced with "unpredictable, penetrating, large change" in technologies and markets, and are increasingly recognising that providing job satisfaction for their workers is a way of winning their co-operation in necessary changes.

Frosty

Oliver Tynan has a vested interest in ensuring that this is the case, since he heads a unit whose aim is "to increase the number of organisations that are successfully implementing changes to improve the quality of working life of the people employed in them."

The "quality of working life" essentially comprises the design of jobs, overall organisation of work, and permanent methods of consultation and participation.

The seven-year-old Work Research Unit (WRU) is one area where tripartism thrives, in spite of the frosty relations between government and unions. It is overseen by the Tripartite Steering Group on Job Satisfaction, and Tynan insists that both trade union and employers' representatives on it offer enthusiastic support for the unit's work.

DO'S AND DON'TS OF JOB DESIGN

Tasks should:
- combine to form a coherent job
- contribute significantly to the finished product
- provide variety in methods
- provide feedback on performance
- allow the use of discretion
- carry responsibility
- be controlled by the worker

Tasks should not:
- be paced
- be short-cycle
- fail to use the skill and potential available
- create deprivations
- prevent people having a real say in what affects their work

The work consists of: providing information; publishing papers; organising conferences; monitoring "good practice;" and providing practical help and advice to managers, trade unionists and organisations. It has 13 professional officers and a back-up of professional staff.

When the unit assists a company, it is rarely prescriptive. Unlike a management consultancy, it will point to options rather than propose firm solutions. Its services are free.

The WRU's origins lie in the early 1970s, when some British companies were experimenting with American or home-grown ideas which went under titles like "job enrichment" or the "socio-technical approach." Against a background of international developments, pressure grew for government action. The Tripartite Steering Group was set up in 1973, and the WRU a year later.

Its early thrust was in research, particularly into the methods by which principles of work structure and organisation might be put into practice. Many eyes, not just the WRU's, were on company developments in the 1960s and early 1970s. Examples included:

- Shell UK's establishment of teams of workers with interchangeable skills at its Tees port refinery. Their job satisfaction was high, and the success of their broad training made them choice recruits for in-company promotion and jobs overseas.
- ICI's experiment with giving greater discretion to a group of sales representatives, allowing them to decide when to visit customers, or whether to pass on information to their superiors; allowing them to make immediate settlements of up to £100 in cases of customer complaint; and giving them a discretionary range of about 10 per cent on prices. Their sales rose 18.6 per cent over the same period the previous year, compared with a 5 per cent decline in those of a control group using established, supervised methods.

Around 1979 the unit's emphasis switched to practical work, in particular the opportunities which greenfield sites and the introduction of new technology offer for improving job design and work organisation. This coincided roughly with the arrival of Oliver Tynan on secondment from his job as manager of personnel projects and planning at BL, for an initial three-year period.

Now the WRU deals with some of the biggest private and public sector names. Its argument is that workers should have varied, coherent, responsible jobs over which they have a high degree of control. There should be clear consultative arrangements for introducing changes by participation.

The benefits for workers are self-evident. For employers, Tynan argues, the main benefit is that a satisfied worker is a co-operative one. Enterprises can gain better quality output, reduced absenteeism, lower staff turnover, and higher productivity.

Both the unit's academic-sounding name and its apparently employee-biased aim to improve "the quality of working life" put some companies off. But those who have had direct dealings with the WRU are generally complimentary.

Problems of absenteeism and labour turnover were initially the most common reasons why organisations approached the WRU for help. But the introduction of new technology has overtaken them.

New technology is a controversial area, producing great fear among workers of losing their jobs. But the unit insists it rarely comes across ineradicable Luddism.

Failsafe

The tripartite nature of the organisation makes it more acceptable to workers. Many WRU officers have industrial management or research backgrounds, but some come from the unions.

"The most common failure we encounter is a failure to consult one group of workers," says Oliver Tynan.

Often, the group not consulted is the one which will operate the new equipment or systems being introduced. "One big chemical plant will carry an extra man throughout its life because it built a failsafe system with one valve at the top of a distillation column and one at the bottom. They have to be turned off at once, which only a man with 180 foot arms could do on his own. That resulted from failure to consult the operators," Tynan says.

Sometimes job satisfaction can be improved by a simple change in equipment design—such as introducing video display units with detachable keyboards for staff who need desk space. At other times it involves overhauling a company's entire machinery for employee consultation—although the unit tries to avoid mainstream industrial relations problems.

Tynan admits to failures. Occasionally a major disruption such as a pay dispute wrecks delicate attempts to improve consultation. The most successful WRU interventions are those which leave an organisation better able to help itself.

The monitoring programme is seen as equally important, encouraging "good practice" by publicising examples of it. North America and Scandinavia still lead the field in developments in the quality of working life, but Tynan insists there is much unsung good practice in the UK.

The WRU is wary of concepts which have suddenly become fashionable in the UK, such as Japanese quality circles. "There are companies picking up an idea and slapping it on. It can be dangerous," says Tynan. The concept may be useful, but he prefers to emphasise ideas suited to individual organisations and which arise from discussion between their members.

Tynan concedes that a vast number of companies have yet to change their ways, and that the recession is causing problems. "A lot of managers don't consult. But you won't get the efficiency changes you've planned if you don't take into account the human aspect."

The impetus for improvements in the quality of working life is almost always economic rather than philanthropic. But its result is often the reduction of monotony and stress.

Oliver Tynan: "a satisfied worker is a co-operative one" Hugh Routledge

Towards U-topia in the TV factory

TWO YEARS ago Thorn Consumer Electronics, the TV and audio subsidiary of Thorn EMI, began to see light at the end of the dark tunnel into which the British television industry had disappeared in 1974.

With the replacement market for colour television sets likely to start growing from mid-1980, Thorn had come up with its new TX range, which it believed could be the most advanced in the world in terms of picture quality and its small number of components.

After a boom in the early 1970s, Thorn had closed plants against a background of a contracting market, overcapacity in the UK, growing imports from the Far East, and increasing competition with Japanese operators setting up in Britain. Now it could see a chance of improvement.

Thorn planned to put in four new production lines at its Enfield factory in north London, which was to make the large-screen TX10 set. Jim Donovan, then personnel manager at the plant and now the company's divisional personnel manager, recommended that the advice of the Work Research Unit be sought. Donovan was an old acquaintance of Oliver Tynan, the WRU's director, and an admirer of his philosophy.

The problem Donovan foresaw was one of quality, an observation with which the WRU agreed. The existing linear production lines meant that assemblers and testers were in different parts of the factory. Although the assemblers did not deliberately do bad work, they were paid by volume and regarded quality as the testers' worry. "There was a danger that we were going to make the same mistakes again," says Donovan.

After initial reluctance from some managers who wanted to get the new lines in quickly, Tynan and two colleagues were invited in to explain their ideas to management, supervisors and unions.

The idea that workers should be consulted on decisions regarding job organisation was already established at Enfield by means of a monthly works conference.

The most tangible result of the unit's involvement at Thorn was a U-shaped production line, which resulted from discussions with the production engineers. It was adopted for the four new TX lines, where its aim was to increase awareness of quality by putting assemblers and testers closer together as a team.

There were initial problems with the new lines, completed just over a year ago. The proximity of the two functions meant that fewer supervisors were needed, and there were job losses among them—the kind of controversial issue even a tripartite body like the WRU cannot avoid. And retraining was needed for some remaining supervisors.

But Thorn has improved its performance on its colour TV side, both on sales and on production. The reject rate at the earliest test stage on TX10 lines at Enfield has been cut by more than half.

It is impossible to quantify how much of this is a result of the U-shape. Better product design and a greater use of automatic insertion techniques account for a good deal of it, and a quality bonus has been introduced.

"My subjective view is that quality is substantially better than it would have been if we hadn't invited the Work Research Unit in," says Donovan.

The benefits for workers in this instance have not been dramatic. Assemblers make a greater contribution to the quality of the product, and some exchange and goodwill has been established between them and the testers which have been lacking.

But they must be seen in the context of other developments. Steps have been taken to improve the environment at the Enfield factory, and operators will be given increased control over the speed of their work when the four production lines are replaced this year.

'Open Business School needed'

BY ARNOLD KRANSDORFF

BRITAIN should have an Open Business School on the lines of the Open University. This would enable executives to obtain a formal business education without having to take time off from work.

Such an institution, which would provide courses by correspondence in conjunction with television programmes, would have to be part-financed by industry, but would be a more effective alternative to company sponsorship of employees at existing business schools.

So says the Business Graduates Association, a professional body of around 3,000 individual and corporate members formed 14 years ago to help raise management standards in the UK. The suggestion is buried in a report* which discusses why production management is so unsuccessful among many British companies.

The proposal includes a suggestion that short courses at recognised business schools or other educational establishments would be recognised as course credits at the Open Business School.

"On this scheme, people would be selected by their companies, and entered for the whole course, but the timing and selection of the components of the course would be left to be fitted in over, say, a five-year period," says the BGA.

"Though very difficult to implement, this idea would provide a better alternative to sponsorship by companies for one or two-year courses at business schools."

The BGA says that sponsorship has not worked as well as was initially hoped, partly because the commitment of a company to providing the money for the course and for living expenses "cannot be realistically matched by an equal commitment from the individual to make the joint venture worthwhile for the company after the course is finished."

It adds that the Open Business School would provide a basis for a long-term relationship between the company and the individual; the company would provide the finance in small amounts each year over the extended period.

Although the BGA's suggestion of an Open Business School was made in the context of suggesting ways of improving the calibre of production management, the idea clearly has wider relevance. Such an institution could cater for a broad range of management disciplines.

The BGA's suggestion was made in the light of the fact that the only forms of higher mangement education available in the UK involve either part-time or full-time commitments.

* *Successful Production Management, available from Business Graduates Association, Canberra House, 315 Regent Street, London, W1. Price £4.50 incl. p + p.*

THE ARTS

Covent Garden

Swan Lake by CLEMENT CRISP

The performance of *Swan Lake* on Saturday evening brought Rudolf Nureyev back to the Opera House stage after an absence of nearly five years. Not that he is a stranger to London or to the lake—the annual Nureyev Festival at the Coliseum most recently brought us a chance to see him in the Boston Ballet's quaint approximation of the Petipa/Ivanov original—but his public clearly finds his presence with our national ballet in these Eleusinian mysteries of special fascination.

In matter of princely bearing and dramatic presence Mr Nureyev was all his admirers could wish. He bestrides the narrow world behind the proscenium arch, and makes his imaginative concept of Siegfried as a moody, obsessed princeling entirely credible: Siegfried's re-entry into the ballroom during the czardas, grieving for Odette and lost to all else around him, was thrilling in poetic intensity. In the last act he seemed a man broken by grief as he knelt and implored Odette's forgiveness; everywhere the reading was emotionally apt, cogent.

We are also faced with the technical account of those virtuoso moments which his public still demands of him. Mr Nureyev has taught us that he is intent on defying time, that at an age when many male dancers are carefully husbanding their physical skills, his marathons of performance, his extravagance and prodigality of bravura effects, are still an essential fact of his stage persona. It seems that his every performance is a fierce confrontation with a younger self, a battle in which he must not only equal, but out-do, his own legendary grace.

This is a disquieting sight, especially as all the compensations of long experience — heightened stage-craft; power of projection — are so apparent in his interpretation when he does not fling himself at feats of daring which are now brought off with perilous energy. Beating against the cage of his present physical skills, he appears to bruise and maltreat his own greatness.

Lesley Collier was Odette/Odile, giving an interpretation of complete assurance, the dance clear and gentle for the swan princess, bright and forceful for the enchantress. It is a reading which appeals by its very absence of fuss or pretension; the dance speaks, its tale told without unnecessary artifice, as by a pure, effortless English lyric soprano.

For the rest, the company of swans were exemplary in musicality and unity of style, and I thought the first act trio of Fiona Chadwick, Deirdre Eyden and Phillip Broomhead ideally matched, dancing happily within their powers and deploying an undemonstrative bravura. The divertissements in the ballroom were uneven, with the mazurka having neither the swing nor the electric rhythms and dignity of carriage essential to it.

And is there a reason why von Rothbart should be bathed in a green spot-light in the lakeside scenes? The pantomime season is over and this *Swan Lake* needs careful lighting if Leslie Hurry's designs are to ha respected.

Aldwych

The Forest by B. A. YOUNG

Ostrovsky's *The Forest* has expanded into the Aldwych, where they have taken some seats out of the stalls to make room for a hanamichi so that *players can enter or* leave via the aisle in front of Row J. Bob Crowley's sets look quite sufficiently lost in the pebble-dash desert of the stage, without diluting the landscape still more. It's a symptom of the excessively high octaine rating of Adrian Noble's production (sponsored by the Stratford House Hotel).

Life in rich widow Raissa Pavlovna's estate in 1871 is prophetically Chekhovian, and neds a Chekhovian treatment. Raissa, busy selling her timber to Ivan, a local merchant, wants to marry her neice Aksiusha to her snobbish young protege Aleksei. Aksiusha, she says, is a girl she has picked up out of the streets, and indeed, Janine Duvitski makes her sound like one, with a whining cockney voice. Mr Cowley has dressed her as if she were pregnant, and Mr Noble constantly poses her to emphasise the look, but this isn't specifically in the play. Yet we know she slips out at night to meet Ivan's son Petya, and is so distressed when she is told that she can't marry him that she tries to drown herself.

All is solved by the travelling actors, Gennady and Arkady, making *an uninvited arrival*. Gennady is Raissa's nephew, and to the accompaniment of much extraneous farce he contrives that Aksiusha shall marry Petya, leaving Raissa to marry young Aleksei, in spite of the difference in their ages. Then the two actors, Alan Howard and Richard Pasco, sacrificing their chance of touching the old woman for money, walk off into the sunset, like a pair of Charlie Chaplins.

With the dramatic key set so high by the director, the play is an uncomfortable mixture of sentiment and low comedy. It is certainly an interesting and often amusing play; but not in this style or at this funereal pace. Over 3½ hours pass at a steady andante, whether we are watching Aksiusha saved *from drowning*, or *Aleksei* getting cheap laughs with his braces or falling over a bench. At least half an hour could come out of the playing time. Alan Howard, who plays Gennady with a romantic tremolo and some odd pantomime comedy, might get 15 minutes out by himself.

Barbara Leigh-Hunt's imperious Raissa is dignified, even when she is swindling the tradesmen. Paul Whitworth as her Aleksei is almost a young swell from a du Maurier cartoon. At the other end of the social spectrum, Petya is very humanly played by Allan Hendrick, bending double with humility before his betters, making practical peasant love to Aksiusha, except once, when he loses self-control and turns into Romeo.

Wigmore Hall

William Parker

by DAVID MURRAY

The International American Music Competition is held annually, and in successive years pianists, violinists and singers get their chances. 1982 is a singers' year again, and meanwhile the 1979 winner William Parker is touring Europe with a programme shaped to the Competition prescription: to display the American recital repertoire. Though described as a baritone, he sounded like an assured young bass in his opening group on Friday, the op 121 *Four Serious Songs* of Brahms—or at least a natural bass-baritone. At all events the voice is strikingly attractive and well produced, in whichever direction he chooses eventually to take it, and it is backed by sturdy intelligence.

Among the pleasures of Mr Parker's recital was his diction, good enough in German and excellent in French and English. His German was heard not only in the Brahms set, nor his French only in the one song by Fauré ("N'est-ce pas?" extracted a bit uncomfortably from *La Bonne Chanson*), but in American pieces too: two pastiche *Lieder* by Charles Griffes (less taking than similar exercises by the young Ives), and Samuel Barber's French-Rilke *Mélodies passagères*. There were cheerful songs by Copland, Bernstein and Ned Rorem, and a whole Rorem cycle, *War Scenes*, which sets distressing passages from Walt Whitman's Civil War diaries as declamation-with-accompaniment — the music is a vanishing quantity. More interesting were ripely romantic songs on Tagore effusions by *John Alden Carpenter*, and two spare, nervy Italian "motets" after Eugenio Montale by John Harbison.

Parker was much more than equal to all this (as was his pianist William Huckaby, once past the Brahms set, where he wanted sternness). Everything he did was in musical character, at once judiciously planned and presented with a fresh, direct air. He will be in great demand: one would love to see his Papageno. Just now, his keen musical sense goes further than what he can do with words —for all the firm sincerity he brought to the Brahms songs, for example, the speaking sense of the Biblical texts was not sharply conveyed: the effect of the *final* "*Faith*, Hope and Charity" was only that of an up-tempo finish. The knack of colouring individual words, as distinct from *acting* them, hasn't developed as far as it undoubtedly will. But what Parker *already has* is measurable authority, not just promise; the Competition is lucky to boast a winner who sets such a standard. The American presence at the Wigmore, by the way, was ungraciously meagre.

Penelope Keith

Leonard Burt

Haymarket

Hobson's Choice

by B. A. YOUNG

Triumph Theatres repertoire *season* at the Haymarket has made a promising start. Harold Brighouse's *Hobson's Choice* is a play that it's hard not to enjoy, and has a title that everyone knows. The company is headed by three players likely to draw the public, for different reasons. And the production under Ronald Eyre is witty and sympathetic.

The story must be pretty familiar (and the fact that the play has just been done at Hammersmith may have reminded people of its merits). Maggie, the eldest daughter of the tyrannical, alcoholic Hobson, most fashionable shoemaker in Salford, is written off by her father as a marriage prospect, so she settles on Willy Mossop, a bench-hand in her father's shop. She will marry him, educate him, and make him a success.

The people are most understandingly drawn by Brighouse, and all are well caught in this production. Willy's improvement may be thought to take place too fast, but the character is beautifully played by Trevor Peacock. When we first see him, he is an awkward, squat figure with movements as uncontrolled as his speech. In the second of three acts he is more in control of himself, though only with puppet-mistress Maggie at the strings. Finally we see him actually making a decision of his own, even influencing his monster father-in-law.

This kind of demi-robot must be hard to fill with character, yet Mr Peacock does so at once. He even has moments of subtlety, the little glance that gathers in the audience's agreement, for example, when he says, "Let 'im come in" to the knocking of his father-in-law. It is a great moment when Hobson, coming finally off his high horse, concedes "I'll go and get me 'at" to call on the lawyer and draw up terms for Mossop and Hobson.

Maggie, as played by Penelope Keith, is Miss Keith's familiar character lightly disguised as Lancashire working-class. The casting is daring but successful; no one can do better than Miss Keith at imposing her will on others, and if her Lancashire vowels are not exactly what you would hear in Salford, this hardly matters. Under a wig that takes her back to the end of the last century, she towers over the Hobsons and their friends like a secretary-bird.

Hobson himself is played by Anthony Quayle with a real hint of break-up right from the start. Selfish and arrogant he may be, but he is raw material for an alcoholic crisis with his high colour, his untidy hair and his thoughtless bullying; when the trouble comes, he mixes pride and pathos skilfully in his duel with Dr MacFarlane (John Grieve).

Kenneth Mellor's sets are all a little too comfortable, no doubt because of the size of the stage, but the atmosphere is right. The run goes on until March 20, after which there will be a new play by Ronald Millar; but Hobson's *Choice* will come back for a further run in April, in May and in July. It is well worth a visit. I wish people wrote plays like this now.

UK musicians compete in New York

Three British musicians have been selected to try for the second Concert Artists Guild—Amcon Award in New York on April 28. They are pianist Barry Douglas, aged 21 from Belfast, Glyn Davenport, bass-baritone from Woking, aged 33 and Michael Collins, 19-year-old clarinettist from Feltham, Middlesex.

Architecture

Guidebook to the future

by COLIN AMERY

One question bothering all architects and critics and those who teach the architects of the future is what happens after modern architecture. "Modern architecture" is usually understood to mean the kind of doctrinaire style of *building* that was taught in the early years of the century with an emphasis on the rejection of the past. Movements come and go in all the arts.

At this moment the representational is returning to painting after long years of dominance by the abstract. In dance there is a tremendous revival of interest in the classical tradition. In architecture we are clearly on the brink of a new battle of styles. It is not a question of modern versus traditional but more a question of style versus non-style. The pioneers of the Bauhaus-inspired Modern Movement were determined that "modern" architecture should not become just another style. They wanted to promote something that was always new, always in the forefront of progress and never associated with the past.

There is one critic and writer who has bravely broken the stranglehold of the modern pioneers by placing modern architecture in its rightful place as a movement that is only one of many contemporary streams of architectural thought. His name is Charles Jencks, an American who has studied, taught, and lived in England for many years. One of his earliest books *The Language of Post-Modern Architecture* (Academy Editions, 1978) established not just the death of modernism but a name for its successor.

Charles Jencks's gift is to identify and classify a series of types of current architecture that have been trying to create a richer language for the built world. The language he refers to is one that allows architecture once again to have a metaphorical and symbolic content. Jencks is one of the few people who has looked consistently at the buildings of the last ten years, photographed them and tried to classify them into a post-modern framework.

With his interest in classification and identity it is not surprising that in his latest book Jencks has explored the phenomenon of the classical in contemporary architecture. He is right to talk about the classical revival and equally right to see it as not a movement that can be easily confined.

In this book, just published, *Free Style Classicism* (An Architectural Design Profile, *Academy Editions*, £7.50), Jencks presents a marvellously stimulating survey of the work of some 20 contemporary architects who are engaged in designing post-modern buildings that contain some elements of classicism. In his opening essay Jencks acknowledges the difficulty of defining the limits.

In fact he gives a very provocative account of the new classicism because he attempts to extend the traditional definitions of the classical style itself. One of the key sources of the new architecture is the work of Karl Friedrich Schinkel (1781-1841), the greatest German Neo-Classical architect of the 19th century. His buildings and his drawings are relevant today because they show clearly how he drew on the mental storehouse of imagery from the past and developed a new architecture.

The presence of Schinkel in this book does have the effect of revealing the poverty of much of the new, so-called classical architecture that is being seen in Germany and America. An example in France is the Palace of Abraxas at Marne La Vallée, by Ricardo Bofill—a giant, rusticated 19-storey housing scheme. It is detailed with huge pilasters and pediments. It is concrete. When it is complete will we think of it as a modern Versailles? Is big necessarily made beautiful by the addition of classical details?

The work of architects like Robert Stern in America and Jim Stirling in England and Robert Krier in Germany all follow some of the traditional values, like symmetry and orderly planning, but they are also hybrid architects. They pick and choose random details to enliven what would otherwise be somewhat ordinary buildings.

In this book the examples of the new architecture are by no means all convincing but it is early days. Jencks has done architecture a service by acting as a kind of monitor to contemporary buildings. He tidies them into groups and labels and gives them critical validity. The fact that he often does this before the buildings have had time to settle into any kind of cultural tradition does mean there will have to be a post-Jencks movement to keep the whole business going. For the present it is hard to live without Charles Jencks who gives us the signposts, even if we are not too sure where we are going.

Elizabeth Hall

Dmitri Alexeev

In the six and a half years since he won first prize at the Leeds International Competition, the Russian pianist Dmitri Alexeev has not taken any of the usual routes to instant, ephemeral success. After the first flush of competition engagements, he has played in public relatively little and made no more than a handful of records, concentrating instead on refining his technique and enlarging his repertoire. This restraint may not thus far have paid off in terms of box-office receipts, but it has paid off handsomely in terms of artistic integrity. It was ironical, but somehow also poetically just, that Alexeev's recital on Friday evening, which should be numbered among the half dozen most exciting piano recitals which Londoners are likely to hear this year, was played to a hall barely two-thirds full. It cannot be long now, all the same, before the public realises it is missing out on the early career of one of the outstanding pianists of the postwar generation.

It was the kind of recital which revives confidence, triumphantly, in pianos and pianists—and the kind, highest compliment, which sends pianists themselves racing back home, exhilarated, to their instrument. It was not a question of "perfection." Alexeev is in many ways an exceedingly quirky and idiosyncratic musician, and there is always something arguable, and perhaps imperfect, to be found in his interpretations. But he delivered his programme from first to last with such exuberance and mastery, as well as such warmth and openness of heart, that all such passing reservations were easily swept aside.

The range of the playing was remarkable. Heaven-storming grand-romantic impetus, much in evidence, was only part of the story. A pianist of lesser physique might have played himself out on the very first piece of Alexeev's programme, Liszt's huge set of Variations on Bach's "Weinen, Klagen" cantata; but a pianist of lesser pianistic powers could never have discovered so effectively directly afterwards the magic, supple and delicate, of Liszt's little second *Elegie* (an etude in sustaining-pedal colouration), the late, virtually atonal *Nuages gris*, and the tiny *Venezia* and *Devotion*, tributes respectively to Wagner and Bellini, played together as a single group. Just once perhaps, a surfeit of glittering bravura—in the huge final climax of the Mephisto Waltz no. 1, where bass octaves burst *tutta forza* like hand-grenades, which calls for at least some recognition of an *allargando*, but which Alexeev tore through, without relaxing his tempo for an instant, like a hurricane.

For his second half, after an urgent, excitable reading of the Polonaise - Fantaisie which partly missed, but more than half caught, the world-weariness and yearning of Chopin's last and most enigmatic major piano work, Alexeev introduced another group of pieces—this time by Skryabin, as a single sequence—including five Preludes, the lushly intimate Valse in A flat, and an electrifying account, etched in crystal, of the fourth sonata. Four encores capped the evening: a pair of Chopin mazurkas, and two Preludes by Rakhmaninov, gloriously jubilant, touched by an authentic shadow of melancholy.

DOMINIC GILL

Across the way at the Festival Hall the same evening, the conductor of the Lille Philharmonic, Jean-Claude Casadesus, made his South Bank début with the English Chamber Orchestra; accounts of Haydn's "La Poule" and the Bizet symphonies were lively, not without character, but rather scrappy. What one will remember about the concert, though, is the singing of Jessye Norman: for this was one of those occasions when the glorious voice filled the hall, and flooded the senses with its every utterance. Nothing self-regarding about the way Miss Norman sang Haydn's *Scena di Berenice* (admirable that so richly, romantically tinted an instrument can maintain such classical restraint and clarity of expression) and the Wood Dove's great lament (in the chamber orchestra reduction) from *Gurrelieder*: the interpretations were controlled, exactly directed. But heavens, what beauty of sound!

MAX LOPPERT

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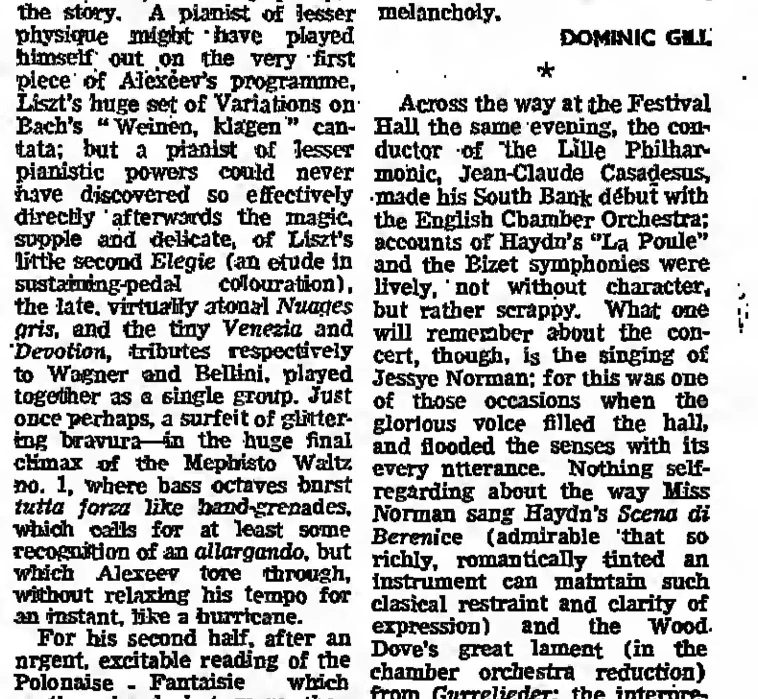

ACROSS

1 Downright sinister blow (8, 4)
10 Boring top sound on one cylinder (7)
11 Cast a divine pressman in the air (5, 2)
12 The Spanish boy meets girl (5)
13 Tribe has to go to ancient city racket (8)
15 Steps taken by refugees from 20 (4, 6)
16 Thought of fabric (4)
18 Unpredictable golf event (4)
20 Criminal bringing up fever (4, 6)
22 Check everybody else has shower (8)
24 Stupid outside right in order for money (5)
26 Dance for minor operators (7)
27 A prohibition on fellow in ditch (7)
28 Last moment of almost the longest strike (8, 4)

DOWN

2 Acrobat that can hold his drink (7)
3 A right variety daughter ordered (8)
4 It goes up when it comes down (4)
5 Leaves cutter for old sailing ship (3, 7)
6 Cockney part of north London found in this position (3, 2)
7 Creature fated to croak eventually (7)
8 Measure of the Yard's control (5, 4, 4)
9 Literary work of medium interest (6, 7)
14 Not finished writing to children about extra shares (5, 5)
17 Terms that can't be credited (4, 4)
19 Distinctive nature of church in German town (7)
21 Prison abroad converted into a sun pad (7)
23 About the first woman to be a magistrate of old (5)
25 Little officer internationally honoured we hear (4)

The solution to last Saturday's prize puzzle will be published with names of winners next Saturday.

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Monday February 15 1982

Hard choices in Brussels

THE European Commission's farm price proposals, which go before the agriculture ministers today, represent a small step in the direction of trying to get a grip on the costs of surplus production in the Community. But against the background of the row brewing over Britain's budgetary contributions, it is too small a step to have any significant effect on the costs of common agricultural policy for many years, and bids fair to make that row much worse.

The Commission's general ideas for reforming the common agricultural policy, published last summer, were long on general aspirations but short on specifics. Now that its ideas have been given concrete form in this year's price proposals, it is clear that cowardice and conservatism have prevailed as usual.

Agitating

At a general level of 9 per cent for most products, the price-increase element in the package is by itself not all that unreasonable. In recent years, farm prices have failed to keep up with inflation, with the result that farm incomes have been falling in real terms. Even though 9 per cent would be the biggest increase for some time, it would still be below the average level of inflation forecast for this year in the Community.

The trouble is that 9 per cent is only the starting point for the negotiations. The farming lobbies are agitating for a much higher figure, and it is a fair bet that bargaining in the Council of Ministers will add several points to the Commission's figure.

Moreover, the parallel proposals for getting to grips with the Community's structural surpluses are exceedingly limp. Milk production is already about 20 per cent larger than consumption, and productivity is increasing all the time; disposal of the surplus accounts for about 30 per cent of the farm budget, and the imposition of the so-called "co-responsibility levy" — a 2.5 per cent tax — has entirely failed to deal with the problem of over-production. Yet the Commission can do no more than offer to make proposals to offset the additional costs if output goes more than 0.5 per cent above last year's levels. On its own calculations, the Commission already expects output to rise 1.5 per cent this year.

On cereals the Commission has been a mite bolder, with a proposal that the support price should be trimmed by 1 per cent for every 1m tons that output exceeds a target level of 119.5m tons.

Cowardice

In general it predicts that farm spending should grow more slowly than the Community's potential income, though the Community has no mechanism for ensuring that this will happen. But even if its prediction should prove correct, it is clear that the shift of wasted resources out of agriculture into more productive channels would not merely be an extremely slow, but also a wholly uncertain process.

To criticise the Commission for cowardice is not to imply that a more courageous approach would be easy, let alone that it would be painless. In conditions of high unemployment and high inflation, falling farm incomes, productivity and output rising to self-sufficiency and beyond, near static consumption, there is no soft option for squaring the circle, so long as the rules of the farm policy remain the same.

The French reaction to the unsquarable circle underlines the flaws in the policy: they break the rules quite flagrantly, by giving subsidies to their farmers or by keeping out Italian wine; yet they proclaim the inviolability of the rules when these rules require the British and German taxpayers to subsidise the disposal of unsaleable French surpluses.

Reform

They really cannot have it both ways. The budgetary disequilibrium which works to Britain's disadvantage is not just a bit of bad luck; it is an unavoidable symptom of the failings of the common agricultural policy. If the surplus-producing countries decide that a reform of the policy is politically too difficult, and that there is no alternative to the production of unwanted surpluses, then they should pay for that decision. This means a substantial compensatory mechanism on the budget, not just for four or five years, but until they change their minds on reform. If they were to decide to tackle reform seriously, a shorter-term arrangement would start to look more reasonable.

Transport policy off the rails

NEARLY two months have elapsed since the Law Lords handed down their view that the level of subsidy being provided to London Transport by ratepayers through the Greater London Council was illegal. The fact that the judgment was an unsatisfactory interpretation of an ineptly drafted piece of legislation — the Transport (London) Act, 1969—is irrelevant. The Law Lords are the final arbiters of our statutes. Their judgment at least underlined the fact that new legislation is needed to sort out the tangle of public urban transport policy.

Dreams

So far only three results have ensued: London Transport fares will be doubled on March 21; Greater London Council rate bills will be doubled in April; and Mr David Howell, Transport Secretary, is still trying to score political points against the GLC rather than proposing any sensible reform.

Urban transport systems which break even or make profits are the stuff of dreams. City after city around the world has found that modern and reliable train and bus systems on which commuters are prepared to travel require subsidy. Even after the GLC's cheap fares scheme was launched, London Transport had a lower level of subsidy than any other public transport network in a Western capital city.

Struggle

Now fares are to increase sharply, services will be reduced, fewer buses will struggle through more and more private car congestion. This would be bad enough if a modern road system were taking the strain; it becomes a nightmare on the mixture of lanes and bottlenecks which is London. Any solution will involve subsidy. Sir Peter Masefield, London Transport chairman, advocates a £1 of subsidy (instead of 25p) for every £1 of revenue and proposes that control of the system should be shifted from the GLC to the Transport Department.

Our view remains that a wider approach is needed through a Passenger Transport Authority, preferably elected and probably covering not only London but also the capital's suburban catchment areas to integrate British Rail, bus and Tube services and fares structures. This might clear the way for the eventual abolition of the GLC itself.

Dustbin

The problem is not confined to London. In the wake of the Lords judgment and the Government's failure to respond to it, other transport authorities are abandoning their cheap fares policies—some of them longstanding and laudably successful in keeping people out of cars. These councils are operating under the Transport Act 1968 which is representative in its mediocrity of much 1960s legislation and could suitably follow the 1969 London Act into the dustbin and here again the Government is thinking of abolishing the relevant authorities.

Urban transport policy, therefore urgently needs redrafting; but Mr Howell is showing no signs either of acting or even of beginning to comprehend the scale of the problem. Nor is his record outside the cities any more impressive.

Crumbling

Britain, in 1982, still has no motorway from London to Dover, no motorway linkage to the east coast ports, no motorway box around London (although we have the extraordinary north and south circulars, one run by the GLC, the other by the Transport Department, which are now no more than a string of suburban settlements linked by traffic jams).

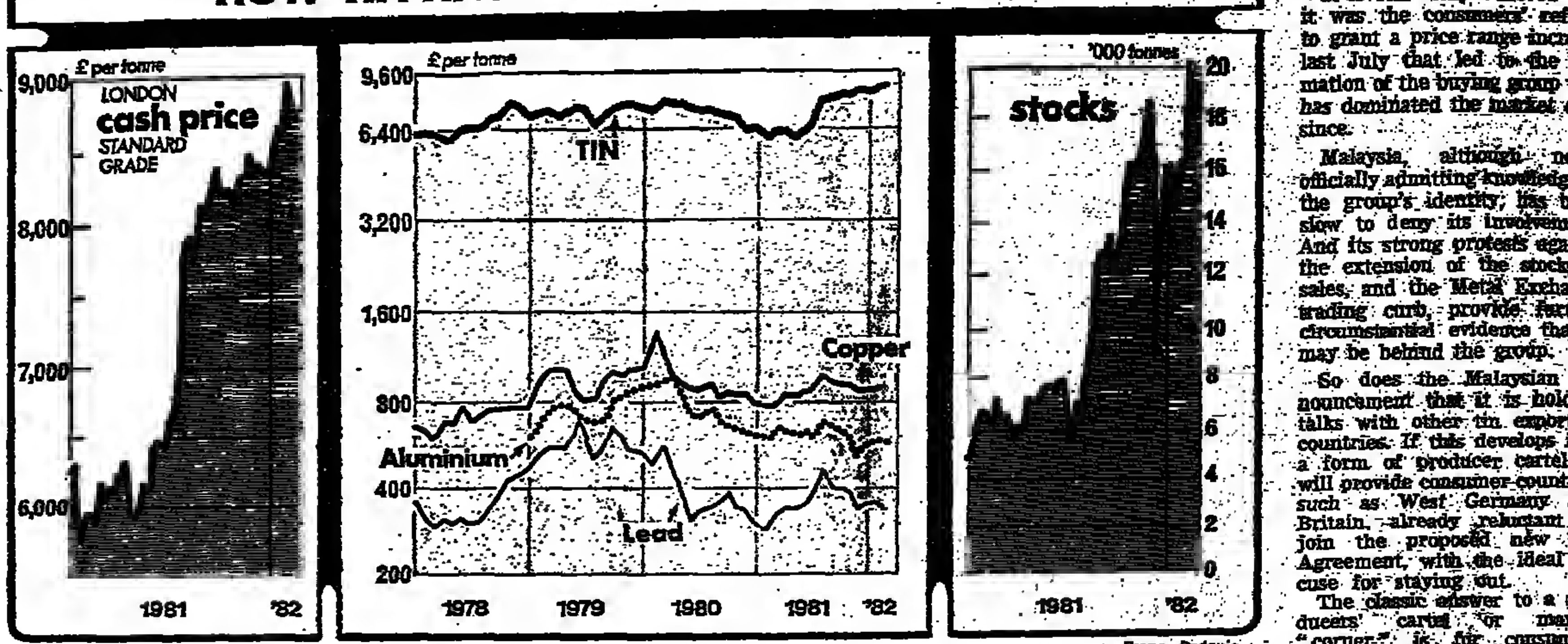
The (mainly incomplete) motorways we do have are crumbling. Twentieth century lorries crunch along our 19th century shire roads which are developing potholes to rival New York's as capital spending continues to fall. Railway policy is in abeyance. The list of top-priority work demanding attention and legislation from Mr Howell is becoming critically long.

A COMMODITY TEST CASE

The battle for the tin market

By John Edwards, Commodities Editor

HOW TIN HAS GONE OUT ON ITS OWN



HIGH STAKES are involved in the current battle being waged in the world tin market. On a financial level, an estimated £350m has already been spent in pushing tin prices to a record level during a period of industrial recession. So a large amount of money is at risk.

But other, more far-reaching, issues are also involved:

● the possible emergence of a tin producers' cartel (dubbed Tinpec) that might set the pattern for other commodity cartels;

● a confrontation that could lead to the demise of the oldest surviving inter-governmental commodity pact, the International Tin Agreement;

● the breakdown of moves to stabilise commodity prices, by agreements between producing and consuming countries. This would jeopardise what remains of the North-South dialogue between the Third World and industrialised nations;

● disruption of the tin, and possibly other metal, markets with long-term consequence for the production and cost of tinplate, food and beverage cans.

If the present price levels are sustained many companies may well decide they can cut tin usage dramatically.

The root of the crisis, which is now reaching its head, is that the world tin market has been manipulated since last July by an unidentified buying group. This group has bought up all the world's surplus tin and is holding these supplies off the market. As a result the shortage of tin is an artificial one.

This distortion is threatening the whole structure of the world's tin markets, and in particular the London Metal Exchange which provides the only futures market for tin.

Faced with a dangerous situation that could still lead to a suspension of trading, the London Metal Exchange finally decided earlier this month to act. It set a limit on the premium sellers could be forced to pay to meet their commitments, by imposing a maximum premium of £120 a tonne that can be charged for cash tin for delivery the following day.

An inquiry by the Metal Exchange into the positions held by member companies dealing in tin revealed a distinct danger that sellers, who had contracted to deliver tin on various dates in February (especially on the 25th and 26th) might only be able to get the tin required to honour these contracts from the mysterious buying group which holds the bulk of world supplies. The group could, therefore, be in a position to charge whatever premiums it might demand for supplying the sellers' needs.

As Rowntrees, the British confectionery group, discovered when it lost £32m in the cocoa futures market in the early 70s, the sky is the limit that can be charged to those unfortunate enough to be "short" (that is, having to meet delivery commitments pledged to be honoured on a particular date).

In the case of the Metal Exchange, trading is on a daily basis for up to three months ahead. The market has to be "square," sales matching purchases at the end of each day. But when supplies are either in surplus or shortage, adjustments are made by carrying over sale or purchase commitment to a later date. In some cases this does involve the payment of premiums.

In recent weeks, because the buying group holds most of the available supplies, these premiums have increased to large sums per tonne. As a result the cash price has moved to a substantial premium over the price paid for tin to be delivered in three months time.

This is fair enough when there is a shortage. But International Tin Council estimates suggest that world production of about 200,000 tonnes exceeded demand in 1981 by at least 20,000 tonnes, and it is calculated that current surplus stocks available, and held by the group, are between 40,000 to 50,000 tonnes.

Holdings in the Metal Exchange warehouses in Europe and Britain are at a near record level of over 20,000 tonnes and it is commonly believed there are another 10,000 tonnes of undeclared stocks in Europe, not to mention big holdings in Malaysia, other producing countries and the U.S.

Beyond these the U.S. strategic stockpile is offering for sale over a three-year period some 30,000 tonnes of surplus tin, of which only about 8,500 tonnes have been disposed of so far.

Sellers of tin argue therefore that the current market situation is totally unrealistic and are assembling a case for defaulting on their contracts. These include not only speculators, who committed themselves to deliver tin they did not possess at some forward date, but also genuine trade companies which rely on shipments of tin arriving on a specific date. In the past any shipping delays have normally been easily enough dealt with by the payment of a small premium.

Even more alarming for the Metal Exchange was the prospect that sellers would simply not be able to meet their commitments, which would undermine the basic structure of the market. A compromise was agreed to limit the size of the daily premiums that could be charged for cash tin, but this did nothing to affect market prices themselves and in fact the cash price rose substantially. Many sellers preferred to buy cash tin at a higher level rather than face paying a premium of £120 each day over a period of time.

But the LME decision was strongly attacked by Dr Mahathir Mohamed, Prime Minister of Malaysia, the world's largest tin producer. Drawing a comparison with the London Stock Exchange's move to change the rules after the Malaysian take-over of Guthrie's in a "dawn raid," Dr Mahathir complained: "They [the Metal Exchange] provide assistance to speculators when the price rises, but do not help producers when it falls."

There is an element of truth in this accusation. The very nature of the market mechanism means that it is more vulnerable to being starved of supplies (normally during a period of shortage) than of money during a period of surplus.

But charges from Malaysia that speculators are being given free rein to reduce already depressed tin prices are dismissed by traders as absurd. The fact is that prices are at a record level at a time when demand, hit by the industrial recession, is at a low ebb and there is a massive, and growing, surplus of supplies.

A comparison with the performance of other metals underlines this point. They are virtually all at very depressed prices because of poor demand. It is acknowledged that costs of tin production, as well as other metals, have risen steeply in recent years. But that has little to do with the price consumers are prepared to pay in a competitive market.

Malaysia has admitted that it is talking with other leading tin exporting countries—Indonesia, Thailand and Bolivia—about ways of protecting producers' interests.

In the meantime it has declared its intention to cut back production over the next few years whatever the view taken by other producers. Inevitably this is seen as the first step towards the formation of a cartel—four countries (three of which are geographically and politically close) control well over 80 per cent of world production.

Although there is nearly a year's supply of tin in the U.S. strategic stockpile, at present only 30,000 tonnes have been approved by Congress for sale during the three-year period from July 1980 onwards. And it seems unlikely that the U.S. would be prepared to use its stockpile to smash a cartel formed by influential countries in the Far East.

Sales from the stockpile were going very slowly until December, when it was decided to allow purchases by foreign, as well as domestic U.S. buyers. Since then an extra 5,000 tonnes have been sold bringing total disposals to over 8,500 tonnes since July 1980.

This relatively modest move to stimulate stockpile sales was enough to bring a storm of protest from producing countries, led by Malaysia and Bolivia, which have always argued that stockpile sales by the U.S. breached the spirit if not the terms of the Fifth International Tin Agreement, which the U.S. joined for the first time five years ago.

After some deliberation the U.S. has in any case decided not to join the next (Sixth) Tin Agreement, due to come into force in June when the present pact expires. U.S. membership of the Agreement has not been a happy experience since it has normally been in the forefront of resisting producers' demands for a rise in the Agreement's "floor" and "ceiling" price levels that are defended by a buffer stock, and on occasions, by export quotas.

It is commonly believed that it was the consumers' refusal to grant a price range increase last July that led to the formation of the buying group that has dominated the market ever since.

Malaysia, although never officially admitting knowledge of the group's identity, has been slow to deny its involvement. And its strong protests against the extension of the stockpile sales, and the Metal Exchange trading curb, provide further circumstantial evidence that it may be behind the group.

So does the Malaysian announcement that it is holding talks with other tin exporting countries. If this develops into a form of producer cartel, it will provide consumer countries such as West Germany and Britain, already reluctant to join the proposed new Tin Agreement, with the ideal excuse for staying out.

The classic answer to a producers' cartel or market "corner" is for consumers either to cut back or stop using the commodity concerned. In the case of tin this is already happening. The main use of tin is in the manufacture of tinplate, which nowadays has a coating of tin equal to about 0.5 per cent of the total weight of the product—but accounting for around 10 per cent of the cost.

Tinplate has for many years faced fierce competition from other materials, ranging from aluminium in beverage cans, to stainless steel, plastics and glass. Over the years the amount of tin used has been considerably reduced, and work is going on to reduce it still further to some 0.1 per cent in tin-light steel or substitute it entirely by chrome or nickel coatings in what is called tin-free steel.

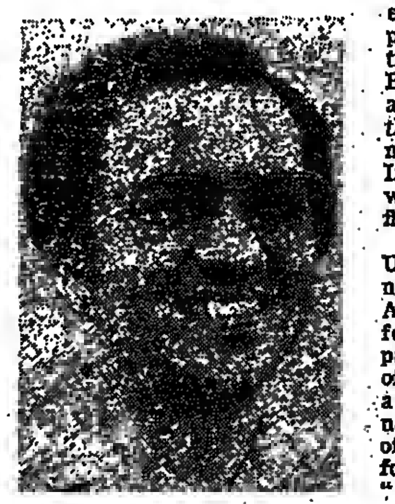
In solder—another big outlet for tin—the percentage of tin used in some cases has dropped from 38 per cent tin to 62 per cent lead, to a mere 2 per cent tin. The replacement of soldering in can-making, by welding or "drawing," discourages the use of tinplate, which provides a good bond for solders.

Tinplate accounts for nearly half of total tin consumption and there is no doubt that high prices will discourage other uses of tin as well.

Past experience has shown that it is impossible to distort market prices for too long. It seems fairly clear that the support buying operation is too big, and has been sustained for too long, merely to be a speculative exercise. Producers' backing means that it can probably be kept going for some time while Malaysia looks at the prospects for forming a cartel.

But the consequences could be serious. International trading in tin, and its use in industry, is likely to be seriously affected. At the same time the Third World will view the struggle for control of the tin market as a test case for its aspirations for a new deal in commodity trading.

Malaysia, the world's largest tin producer, has reacted angrily to the move by the London Metal Exchange to try to slow down the rise in the cash price of tin. "They (the Metal Exchange) provide assistance to speculators when the price rises, but do not help producers when it falls," says Dr Mahathir Mohamed, the Prime Minister (right).



Men & Matters

Party manners

What a round of party-going now stretches before the ladies with ambitions to represent the Social Democrats in the Commons.

Amid Saturday's scenes of confusion in Kensington, the SDP conference voted narrowly in favour of including a minimum number of women on the short lists from which local parties select their parliamentary candidates.

According to the current guidelines, the number wanted is two. Since only 180 women have their names on the Cowley Street books and the SDP will be fighting around 300 seats, each one will have to whirl round at least four selection conferences.

But it became clear during the weekend that the SDP leaders expect a certain standard of behaviour in return for this positive discrimination in favour of the women on the party circuit.

Up in Richmond, local SDP members led by teacher Geraldine Evans have been muttering that they might fight the seat independently if the Alliance tries to foist a Liberal candidate on them.

Such rebellious talk has caused a flutter among the sensitive souls in Cowley Street who thought they had fixed a satisfactory deal with the Liberals about allocating seats in North Yorkshire and Humberside.

Evans was taken aside at the weekend conference and warned that she would be disowned if she persisted in such outrageous attitudes. Social Democrats should show a little more decorum than Liberals, it was suggested.

"I think Sir Freddie is beginning to appreciate how frustrating being on stand-by can be."

Water wings

After Laker, some cracks seem to be appearing in Pan American.

First class passengers on a flight from San Francisco to London yesterday covered themselves with blankets, towels and pillows to avoid a soaking as rain showered through the roof at take-off.

When the aircraft left Seattle after a touch-down there, one man put up his umbrella.

Policy matters

Though it may have been saved an $11m payout in claims on the scuttled oiltanker Salem, Lloyd's got quite a wigging from the Appeal Court about the literary style of its marine insurance policies.

"Notoriously ill-drawn," Lord Justice Kerr observed tartly during his judgment; while Lord Justice May strongly deprecated the "mystique" that surrounded the subject.

Lloyd's "ship and goods" policy had been criticised for its form and content for at least 200 years, Lord Justice May added. And anyone reading the statement of perils it covered now might well echo those historic complaints.

One clause was so "badly drafted . . . both its meaning and purpose are difficult to discover," the judge commented.

He reminded Lloyd's that other types of insurance had "just as antique and historic an origin and growth" but there had been a welcome tendency to re-draft policies in recent years to provide greater simplicity and certainty.

It was, he concluded pointedly, an approach to be encouraged.

Code of conduct

For the first time for 265 years, one of the most important scientific works of Leonardo da Vinci was on display in Florence yesterday.

Dr Armand Hammer, the octogenarian head of Occidental Petroleum, returned the artist's Codex on the Waters, the Earth and the Universe, to the city for a three-month exhibition.

The Codex was sold by a Florentine to Thomas Coke, first Earl of Leicester, in 1717, and kept under lock and key at the family's home at Holkham in Norfolk until December 1980 when death duties obliged them to part with it.

The Italian Government, anxious to repatriate the work, had allocated up to £5m to buy it at Christie's. But it had to abandon the bid when the severe earthquake in southern Italy forced it to seek international loans to meet the cost of the damage. Hammer, whose attempt to buy the Codex some years before was rebuffed, acquired it at the sale for £2.45m.

At a ceremony attended by Italian President Sandro Pertini yesterday, Hammer announced that he was making provision in his will for the Codex to be exhibited in Florence every five years in future.

The 36 pages of manuscript in Leonardo's mirror writing and illustrated with little drawings, envisages among other things the possibility of submarines. But the artist shies away from the subject because of the destructive purpose to which he feared they would be put by evil men.

In reverse

For years Merrill Lynch has proclaimed itself "bullish" on America to whet the investor's appetite for stocks and bonds. But given that the stock market has been stuck in a rut for 10 years, and the bond market is a disaster area, the enthusiasm of the largest U.S. stockbroker has always seemed a little misplaced. I may finally have the reason, though.

The latest 1982 World Almanac and Book of Facts, one of America's great knowledge compendiums, contains a glossary of investment terms supplied by Merrill Lynch. Two of them read as follows:

Bear Market: A market in which prices are on the rise.

Bull Market: A market in which prices are falling.

The man at Merrill Lynch was a bit flustered when I pointed this out to him. "That's not right at all," he said. "They're obviously the wrong way round."

But while Merrill and the publishers sort out who is to blame, some cynics are suggesting that it is not an error at all. Anyone who took this definition of "bullish" in the last couple of years would have saved himself a packet of money as the bottom fell out of the New York Stock Exchange. So maybe Merrill has been giving the right advice all along.

Impasse

Rear window car sticker seen in Hammersmith: "I want to be an anarchist but I don't know the rules."

Observer

THE WORLD IN 2000

A planet heading for trouble

By Ian Davidson

TEN YEARS ago, the Club of Rome created a sensation with the publication of its report, *The Limits To Growth*. It argued, on the basis of elaborate computer modelling, that finite physical resources and pollution would place unavoidable barriers on the progress of world population and economic growth and, more alarmingly, that population would not naturally stabilise at the ultimately sustainable level, but would tend to overshoot and then collapse to much lower levels.

The initial sensation was followed by the inevitable reaction. There were those who argued that technology was bound to come to the rescue of our 20th-century growth assumptions. Some maintained that predictions of shortages had been made since time immemorial, and that therefore these predictions must be equally false. And there were others who said there was something wrong with the computer model.

Despite the counter-attacks, anxiety for the long-term prospects of the planet remained very much alive, and five years later, President Carter commissioned a U.S. Government study on the probable changes in the world's population, natural resources and environment during the rest of this century. The result, the 766-page Global 2000 Report to the President, was published in the closing months of the Carter presidency. Since then, it has sold 350,000 copies in Germany, and now it is published in Britain.

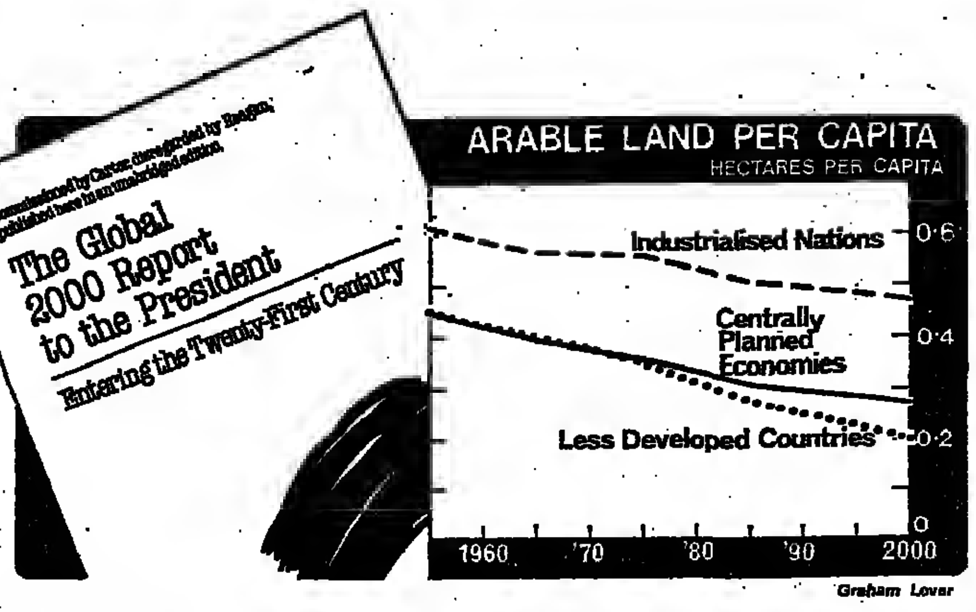
Inevitably, some of the detailed forecasts will have been vitiated by the lapse of time; this is most obviously true of the energy forecasts, which were made before the 1979 oil price explosion and the accident to the nuclear power station at Three Mile Island. But the general thrust of the report — that "serious stresses involving population, resources and environment are clearly visible ahead"—is unlikely to have been significantly modified.

"The time for action to prevent this outcome," it says, "is running out. Unless nations collectively and individually take bold and imaginative steps toward improved social and economic conditions, reduced *fertility*, better management of resources and protection of the environment, the world must expect a troubled entry into the 21st century."

POPULATIONS OF THIRD WORLD CITIES
(estimates, millions)

	1975	2000
Mexico City	10.9	31.6
Calcutta	8.1	19.7
Seoul	7.3	18.7
Greater Bombay	7.1	19.1
Greater Cairo	6.9	16.4
Jakarta	5.6	16.9
Delhi	4.5	13.2
Karachi	4.5	15.9
Manila	4.4	12.7
Tehran	4.4	13.8
Bogota	3.4	9.5
Lagos	2.1	9.4

Source: Global 2000 Technical Report



Graham Lover

'Expect a troubled entry into the 21st century'

Between 1975 and the year 2000, the world's population is expected to rise from 4bn to 6.18bn. Although the rate of growth will have slowed down slightly, the world's population will be growing faster in the year 2000 in absolute terms than it is now. Practically the whole of this increase will take place in the developing countries, which will then account for nearly four-fifths of the total world population.

Of this 2.2bn increase in the final quarter of this century, almost half will live in cities in developing countries, and will take the total urban population in developing countries to 1.4bn, compared with only 480m in 1975. By the year 2000, 10 developing-country cities will have populations of more than 12m, with Mexico City heading the list at 31m, and almost 400 cities will have populations of more than 1m.

This growth of cities in the Less Developed Countries will put unprecedented pressure on sanitation and other public services. As it is, the fastest urban growth in the LDCs occurs in uncontrolled slums and shanty-towns, where sanitation is minimal or non-existent. To keep pace with growing needs, the LDCs will have to triple urban services during the next two decades; but "the chances of this happening are unlikely at best," says the report.

Can the world's population be fed in 2000? The conclusion of the report is: not adequately. World food output will rise by 90 per cent (compared with a 50 per cent increase in world population), but most of that increase will go to countries which are already well fed. Per capita consumption in the LDCs in South Asia, the Middle East and Africa will scarcely improve at all or may even decline below present inadequate levels. In some areas, there could be a "calamitous" drop in food per capita.

Since most of the good land is already under cultivation, practically all the increased food output will have to come from more intensive cultivation: more fertilisers, more pesticides, more irrigation, and better plant and animal strains. This means that world food production will become significantly more dependent on petroleum and petroleum-related products, and that after decades of generally falling prices, the real price of food is likely to double by the end of the century.

One of the most serious ecological problems identified by the report is the rapid decline in the world's forests. At present about one-fifth of the world's land surface is covered by forests; at the current rate of deforestation —18m hectares a year, an area half the size of California—the world's forests are likely to cover only a sixth of the world by the end of the century. By 2020 all the physically accessible forests in the LDCs are expected to have been cut.

This will pose severe difficulties for the LDCs, many of which depend heavily on wood for heating and cooking; as it is, collecting wood fuel is already a full-time occupation in some parts of the world; in others, such as the Ganges Plain of India, the shortage of wood forces the poor to burn animal dung and crop wastes, with disastrous effects on the productivity and health of their arable land.

Deforestation will also lead to more permanent damage. "In the Asian LDCs, deforestation will cause extensive erosion and will destabilise waterflows, adversely affecting the agriculture on which a quarter of the world's total human population depends. In the tropical zones of Africa and Latin America, deforestation will lead, in many cases, to the loss of the nutrients, and to reduction of the soil quality, essential for the recovery of the forests. Desert encroachment can be anticipated in parts of nearly every continent."

In addition, deforestation will be the largest single factor leading to the extinction of a fifth of the world's plant and animal species. Most of these losses will take place in tropical areas, but the more serious losses will be those in dry and marginal lands where local strains of important food grains have evolved high-yield or disease-resistant traits. The extinction of wild strains, and their replacement by high-yielding commercial seed, will make it more difficult to breed disease-resistant strains in future.

"If present trends continue, increasing numbers of people will be dependent on the genetic strains of perhaps only two dozen plant and animal species. These strains will be highly inbred, and the plant strains may have reduced pest and disease resistance and may be planted in large, contiguous monocultures. Plant and animal epidemics will occur as they have in the past, except that in the future the number of human lives at risk may not be in the millions (as in the Irish potato famine) but in the tens or even hundreds of millions. While the magnitude of the risks involved cannot be measured precisely, the world's history of crop failures due to pest and diseases (including the recent U.S. corn blight) demonstrates that the *probabilities* of a major failure are not negligible."

Because of the growth of population, water shortages will be more frequent and more severe than they are today; moreover, deforestation will destabilise flows of water, while irrigation and the use of pesticides and fertilisers will contaminate fresh water. The report even goes so far as to suggest that water shortages could lead to outbreaks of war.

"The world will be more vulnerable to the disruptive effects of war. The tensions that could lead to war will have multiplied. The potential for conflict over fresh water alone is underscored by the fact that out of 200 of the world's major river basins, 148 are shared by two countries and 52 are shared by three to 10 countries. Long-standing conflicts over shared rivers such as the Plata (Brazil, Argentina), Euphrates (Syria, Iraq) or Ganges (Bangladesh, India) could easily intensify."

In 1969 the U.S. National Academy of Sciences estimated that a world population of 10bn would be "close to (if not above) the maximum that an intensively managed world might hope to support with some degree of comfort and individual choice." The Global 2000 Report does not put a figure on the world's maximum carrying capacity, but it does think that the NAS may have underestimated the extent of problems like deforestation and loss and deterioration of soils.

Market forces will not solve the problems

"In fact, the best evidence now available—even allowing for the many beneficial effects of technological developments and adoptions—suggest that by 2000 the world's human population may be within only a few generations of reaching the entire planet's carrying capacity."

This is not a cheerful book. But it is extraordinarily readable. In the best American fashion, the technicalities are laid out with inescapable lucidity. Above all, it underlines that market forces will not solve the problems it describes.

The Global 2000 Report to the President, Allen Lane and Penguin, £14.95 (£7.95 paperback).

Lombard

England expects inflation drop

By Samuel Brittan

PEOPLE'S expectations about inflation, which had been steadily falling since 1979-80, have started rising again in the last few months. The most important "macro" objective of the next Budget must be to start them moving down again.

Evidence about people's inflationary expectations is available from Gallup poll questions. From 1961 to 1975 people were asked whether they expected prices to rise, fall or stay constant over the next aix months. Since then they bave been asked the same question about the inflation rate.

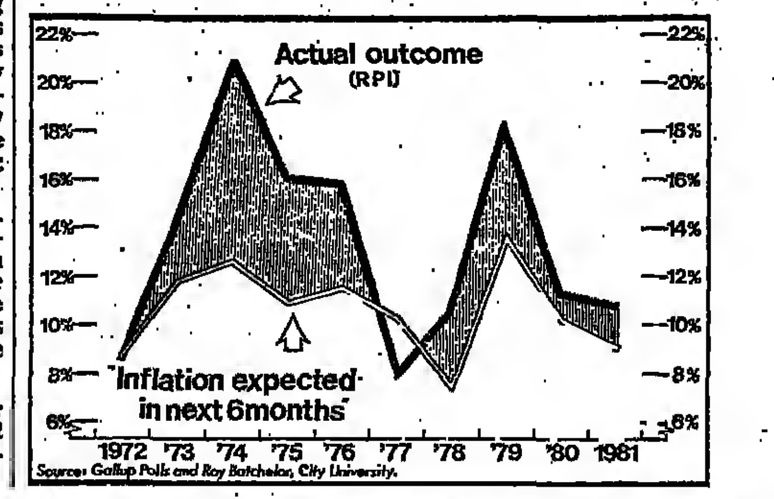
The balances of nps and downs has been transformed into a forecast of the inflation rate by Mr Roy Batchelor of the City University Centre for Banking. The main assumption is that, although most people always expect prices to rise, variations in the size of the majority give a clua to how fast the price rise is expected to be. The other key assumption for the computation is that over the long period, 1962-81, expectations were adjusted to reality, bnt over ahort periods people could and did make substantial errors.

A point to watch in examining the chart is that both predictions and the actual ontcome are ascribed to the date when the predictions were made. They are thus forward looking and show peaks somewhat earlier than the conventional inflation charts—the last peak (associated with VAT and oil price rises) for instance being shown in 1979 rather than 1980.

After 1979 inflationary expectations dropped, falling to an average of just over 10 per cent in 1980 and 9 per cent in 1981. In the last few months of 1981, bowever, inflationary expectations began to rise together with the inflation rate itself. A comparison of the last quarter of 1981 with the last quarter of 1980 suggest that they could have risen a per cent or two.

Actual and expected inflation can interact in perverse or beneficial ways. When people are optimistic about inflation coming down, wage settlements and prices are lower in a given state of the labour market, and employment higher, than when expectations are pessimistic. These reactions in turn make it easier for governments to stick to anti-inflationary financial policies, thus reinforcing the *initial shift*. This is the one germ of truth in the "at a stroke theory" of inflationary control.

A cut of 7 to 8 per cent (not percentage points) in indirect taxes via the Regulator would cost about £1½bn and reduce the RPI by 1 per cent. There would then be a prospect of an inflation rate well into single figures this year rather than next. This would be the best chance of convincing people that the UK was going back to the merely creeping inflation experienced before the traumas of the 1970s. This would be hetter for employment as well aa for financial stability than redncing employers' National Insurance contributions in a year of profit recovery.



Sources: Gallup Polls and Roy Batchelor, City University.

Letters to the Editor

European gas policies and potential resources

From the Director, Centre for International Energy Studies, Erasmus University, Rotterdam

Sir,—Sue Cameron (February 1) is correct to wonder why Western Europe is taking more Soviet gas when "there are other sources, including the North Sea." Indeed our indigenons reserves are already known to be sufficient to sustain a prodnction rate rising to a level 50 per cent higher than currently planned for the second half of the 1980s. Unhappily, institutional factors such as incorrect gas resource evaluation procedures, the protection of other energy sources (inclnding coal and nuclear power), nationalist attitudes to marketing the gas, and government/company disputes over the division of the economic rent from high value sales serve to inhibit the indigenous supply process. It is thus "easier" to reach an agreement to import gas from Russia than to maximise Western Europe's production potential!

"Conservation of limited supplies" is also an element in the situation and the contrast between earlier "profligate" and present "conservationist" Dutch policy is usually presented in evidence in this respect. This does no justice to the facts of the situation particularly when Sue Cameron describes the earlier Dutch pollcy as one in which "the Dutch would give their gas to almost anyone who came along with a suitable length of pipe." On the contrary the monopoly responsible for Dutch gaa exports in the 1960s priced them well above competing energy prices even though this meant limiting the production of the Groningen field to only 50 per cent of the rate whicb would bave been achieved in a competitive situation. It was this pricing pollcy which first attracted West Germany and other West European countries to supplies of Russian gas; and the Soviet Union was happy to oblige at prices which undercut those demanded by the Netherlands in spite of the massive contrast in transport costs between the two supply sources. It was only in the context of competition from Soviet gas that Dutch suppliers then responded to the larger scale marketing opportunities, but by then the "damage" bad been done as energy-short Western European countries had committed themselves to Russian gas.

Today's limited gas production policies in Norway, Britain and other countries—as well as in the Netherlands—seem certain to ensure that history will repeat itself; at the cost of an even greater degree of dependence on exteroal supplies at the same time as Western Europe's known gas reserves remain partly unexploited and the resource potential remains largely unexplored.

(Professor Dr.) P. R. Odell.
Postbus 1738.
3000 DR Rotterdam.

Initiative rests with the Government

Sir,—The initiative bas remained with the Thatcher Government since its return in 1979, because its policies (whatever their defects) are so much more to the point than anything emanating from elsewhere. Admittedly, some Liberal thinking has been sharp, but by and large Social Democrats and Liberals (and the Labour Right and Centre indeed) have gradually swung from dream to reality.

Whatever differences of emphasis beset the Cabinet, their extent is significantly *smaller than the wide divergences* on view in the Centre and ever increasingly devastating the Left. As the author of *what* is now approaching the new orthodoxy the Government has the best right to our confidence. It would command still more had it applied its principles of private enterprise more rapidly.

Deoationalisation of a loss making body is in some respects more pressing than that of one awash with profit. Early denationalisation of British Airways could well bave meant a low purchasing price, yet that step would certainly have avoided the very high (and continuing) sustaining price the taxpayer finds so baffling and distasteful. That any loss on sale would have been substantially smaller than the recent heavy outlay is virtually a truism.

In one key respect though the Government bas itself very much to blame for some of its unpopularity. Its self-presentation is poor and its self-definition inaccurate. The task of educating the general public into realism has not been con*vincingly tackled. The honest* discussion of issues on radio and television has done vastly more than anything launched from Downing Street. And the adoption of the label "monetarist" is simply wrong. There is a strong thrust in that direction, but no more. The approach to change from Keynesian emphasis has if anything been too slow. Does a Government which allows so many marginal mines to remain open (just to use one line of argument) deserve the name "uncaring?" No, policy has been and is more selective than proclaimed. In many ways the Thatcher Cabinet is doing more crisply some of the things the Social Democrats claim are required. Whigs can steal clothes; the Cabinet abould therefore not only wear but be seen to be wearing theirs. Such habits would go far to clarify the mind of the nation.

Michael Hurst.
St John's College, Oxford.

Agricultural economics

From the President The Agricultural Economics Society

Sir,—With reference ot Mr Cathie's letter (February 6), may I refute the allegations and imputations made by him with regard to this aociety. The contents of the Journal comprise both contributed articles and the papers read at the society's annual conference. Journal articles are refereed by an editorial committee, and the conference programme is agreed by the executive committee to whom suggestions may he made by members as to the content of future conferences.

An analysis of the contents of the journal articles and conference papers does, in fact, show a reasonable allocation of print to the economic aspects of European agriculture. This is not to mention the unrecorded one-day conferences *both* in Edinburgh and London sponsored by the society which have dealt with this particular topic.

Agricultural economics as an area of independent applied research in the UK is funded by a plurality of sources including the University Grants Committee, the Social Sciences Research Council, charitable foundationa and commerce, as well as the Ministry of Agriculture Fisheries and Food, for which the society and the profession are grateful.

Ian G. Reid.
Centre for European Agricultural Studies,
Wye College, Wye,
Ashford, Kent.

Research studies into the CAP

From: Director and others, Agricultural Economics Unit, Department of Land Economy, University of Cambridge

Sir,—We regret that a colleague should bave used the address of the Cambridge Agricultural Economics Unit from which to send a personal opinion (February 6) on the economic research funded by the Ministry of Agriculture, Fisheries and Food. We especially disassociate ourselves from the comments of Mr Cathie on the value, quality and scope of the unit's research on farm incomes and on the economics of agricultural production and marketing.

The results of these studies guide those who formulate policies, particularly in Whitehall and Brussels, and are indeed commissioned by MAFF principally for that purpose. This is not, however, their sole raison d'être. The analysis and presentation are such as to make them widely used in planning and control by agricultural advisers, managers in the ancilliary industries, bankers and farmers themselves. We make no apology for this "humble" contribution to economic efficiency. Wealth must be created before it can be redistributed.

This work does involve a good deal of arithmetic — albeit mainly by computer — attention to technological and financial detail and contact with producers, all of wbich may well be tedious to the "political economist" with bis broader brush. The analytical problems involved nevertheless are not unchallenging. Some core topics inescapably recur in our reports but the other subjects covered and the techniques used have evolved and varied over time.

The MAFF has in our experience never sought to restrict the development or extension of our work, for instance into studies, with graduate students, on pricing and land policies, and on horticulture in the Common Market. This scope is constrained only by the need to meet our contractual commitments. There is certainly room for greater exploitation of our data banks in several directions. We are not so arrogant as to claim that the unit has no shortcomings but the deficiencies of independence and initiative claimed by our junior colleague are an exaggeration to the point of travesty.

I. M. Sturgess (Director), W. L. Hinton, R. F. Ridgeon, M. C. Murphy, J. G. Davidson.
Department of Land Economy,
19 Silver Street, Cambridge.

UK COMPANY NEWS

Amersham forecasting £8.3m for this year

THE PROSPECTUS for the offer for sale of all the shares in Amersham International is published today. Amersham is a Government-owned group which develops, manufactures, and sells radioactive materials.

The issue is fully underwritten. All the 50m ordinary shares are to be offered at 142p, which will capitalise the company at £71m.

Between 1977 and 1981, Amersham's pre-tax profits moved from £4.89m to £4.08m while sales grew from £21m to £48.5m.

Dr Joseph S. Burgess, group managing director, has said that profits had been previously held back by the strength of sterling. The group exports more than 80 per cent of its output.

For the six months ended last September, the group reports pre-tax profits of £3.87m. It forecasts not less than £8.3m pre-tax for the year ending this March and not less than £5.5m after tax and minority interests.

The directors estimate that if the group had enjoyed the benefit throughout the year of the £5m being raised by the issue, its restated profit for 1981-82 would be not less than £9m before tax, and not less than £6.2m after tax and minorities.

Commenting on prospects, Dr Burgess pointed out that profits continue to be heavily affected by movements in the exchange rate.

"If sterling was weaker or stronger for a full year by five per cent in relation to the currencies of the countries which make up the group's main markets, trading profit would be respectively higher or lower by 10 per cent," he said.

Amersham has activities in both Cardiff and Amersham, Buckinghamshire. It uses radioactive materials to manufacture a wide range of specialist products for use in hospitals, research laboratories and the nuclear energy business.

Amersham currently supplies over 2,500 radioactive products to markets around the world, primarily the U.S., Europe and Japan. Some 75 per cent of its turnover is accounted for by products used either directly or indirectly in the field of health care.

The group maintains a high level of research activity and aims to invest 7 per cent of its turnover annually in product innovation and design. The offer for sale will raise £5m for the company, after expenses and certain loans to the Government are paid off. It has no specific plans for the money.

The group employees about 2,000 workers—1,500 in the UK. A maximum of 5 per cent of the shares have been reserved for employees. Each will receive 35 ordinary shares free and the option to purchase another £200 worth on a one-for-one basis.

The application day is February 18. Brokers to the issue are Cazenove. Morgan Grenfell is advising Amersham and N. M. Rothschild is acting for the Government.

● *comment*

Amersham is an attractive candidate for a stock market quotation. It has been in the radioactive products business since 1946 and now competes world-wide against such giants as Squibb, Roche and Du Pont. Its profits history has been lacklustre for the past four years, which the company blames on currency fluctuations, heavy research costs and inflation in the UK. For the year ending this March, however, it forecasts a smart doubling at the pre-tax level to £8.3m, indicating a fully-taxed price/earnings ratio of just under 19. This looks like pretty glossy dressing for a company which has been under the Government's wing for 36 years. But Amersham has developed aggressive marketing techniques along strictly commercial lines. Further, it operates in a sector with a great deal of glamour. Its closest counterpart and competitor, New England Nuclear, was recently acquired by Du Pont on a rating substantially higher than that of Amersham. The proposed dividend for the year of 3.5p gives a prospective yield of about 3.5 per cent. None of the group's output is bought by military customers.

Lincroft sees future expansion outside the textile industry

THE DIRECTORS of Lincroft Kilgour, the cloth merchanting and menswear manufacturing company, have decided that future investment should be made outside the textile industry.

They have appointed to the board Mr David Davenport of Investment Intelligence, a privately held investment management company. His part-time job will be to assist in formulating an investment policy for the company's surplus cash.

Mr Tony Holland, chairman of Lincroft, said that the surplus, which could be between £1m and £2m, would be invested in quoted securities.

In the annual report, posted over the weekend, Mr Holland says that "Although the results for 1980-81 show a marked improvement compared with the previous year, they have still not provided an adequate return for shareholders."

Last year the group pulled back from a £425,406 loss to a £320,868 profit.

He adds, "The board has, therefore, reviewed the longer term outlook for those sections of the textile industry in which the group is still involved and has reached the conclusion that lasting and profitable expansion will be difficult to achieve in the future which the British textile industry faces. In these circumstances, it will not be our policy to increase our investment in the textile field."

Last year Lincroft entered abortive discussions to sell the merchanting division which accounts for 70 per cent of turnover and 33 per cent of trading profits. However, Mr Holland says this division is no longer up for sale.

But Lincroft did sell its Ballymena shirt factory last summer and disposed of its other shirt manufacturing operations by selling stakes in associated companies. Also, in the last 12 months, the remaining cloth stocks of the mail order business were sold as was the smaller of the Leeds factories.

Mr Holland adds in his statement that, "Following the sale of the Warwick Street freehold property . . . and the intended disposal of other properties surplus to our requirements, allied with funds generated by the progressive reduction in stocks, there will come a time in the near future when all the group's borrowings, other than to meet seasonal needs, will have been eliminated."

At the balance-sheet date, September 30, 1981, total net debt stood at just under £1.1m against shareholders' funds of £3.84m. The company also had quoted investments valued at £277,125.

Turning to the current year, Mr Holland says, "Trading conditions have deteriorated during the opening months. However, the group, with its sound financial position, is well placed to benefit from any recovery in business. In this context, I feel, it is inappropriate to make any forecasts."

The annual meeting is called for March 9.

BIDS AND DEALS

Ellerman to sell insurance subsidiary

Negotiations are at an advanced stage for the sale of Ellerman Lines' subsidiary, London and Hull Maritime Insurance Group, to the leading French insurance group, Assurances du Groupe de Paris (Groupe Paternelle) for an undisclosed sum.

The sale is subject to the approval of the UK Department of Trade and the French Finance Ministry.

Companies in the London and Hull group include English and Scottish Maritime and General Insurance Company, Londuil Investments, the underwriting agents Montgomerie and Workman and Aviation Underwriting Agents (50 per cent owned).

FOOD FLAVOURING AND PERFUME MERGER PLANNED

Three companies, Proprietary Perfumes, Food Industries and Bertrand Frères, dealing in perfumes and food flavouring, are to merge to form a £100m international company PFF.

The new company begins operations on April 5 1982 and will employ more than 1,200 people. Its headquarters will be at Ashford, Kent.

Proprietary Perfumes exports some 80 per cent of its products from the UK and has recently invested £1m in a technical development building in Ashford. It has branches in the U.S., France, Germany, Brazil, Japan and Singapore.

Food Industries manufactures a wide range of food ingredients including flavours, hydrocolloids, colours and emulsifying agents.

Bertrand Frères is well established in Grasse, France and supplies natural flavour and perfume internationally.

Mr Iain Anderson is chairman of the new board, Mr Gerald Landers will head the fragrance division and Mr Serge Leccibni the food ingredient division.

CHANGE WARES

Friday's issue referred to the transfer of shares in Change Wares to Barclays Nominees (Lombard Street).

We have been asked to make it clear the shares referred to were transferred to Barclays Nominees (Lombard Street) as nominee for Barclays Bank to be held as security under various memoranda of deposit.

STENHOUSE SEES IMPROVEMENT

Mr Herbert Houghton, chairman of Stenhouse Holdings, said at the company's annual general meeting in Glasgow that he expected insurance broking profits for the six months to March 31 would be down on last year but that the shortfall would be more than made up in the third and fourth quarters, resulting in improved profits for the full year.

FT Share Information

The following securities have been added to the Share Information Service:

American Telephone and Telegraph (Section: Americans).

ESI London (Electricals).

Fledgeling Investments (Investment Trusts).

Leaderflush (Holdings) (Buildings).

Newmarket Company (1981) (Investment Trusts).

Owners Abroad (Leisure).

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims—Apex Properties, Impala Platinum, Rean Consolidated Mines.

Finals—Bank Leumi (UK), Drake and Scull, Scottish Eastern Investment Trust, Temple Bar Investment Trust, West Coast and Texas Regional Investment Trust.

FUTURE DATES

Interims—

Aberdeen	Feb 16
BPM	Feb 24
Plessey	Feb 25
Ebrie Industries	Mar 5
Tor Investment Trust	Mar 1

Finals—

Bibby (J.)	Mar 18
Cadbury Schweppes	Mar 11
IMI	Feb 25
Isle of Man Enterprises	Mar 8
Law Debenture	Mar 4
Marchwiel	Feb 23
Tribune Investment Trust	Feb 18
Trust of Property Shares	Feb 18
Woolworth (F. W.)	Mar 10

Friends' Provident bonuses

Unchanged rates of interim and terminal bonus have been declared for 1982 by Friends' Provident Life Office, the final year of the current triennium.

Thus on assurances, the interim rate remains at £4.75 per cent per annum of sum assured and attaching reversionary bonuses, with a terminal bonus of 40 per cent of attaching bonuses for conventional policies and 25 per cent of attaching bonuses for flexible contracts.

On *SEDA*—personal pension contracts—the interim bonus rate stays at £6.40 per cent of the basis benefit and attaching bonuses and the terminal bonus at 50 per cent of attaching bonuses. On other pension schemes the interim rate is kept at £10.50 per cent of benefits and attaching bonuses.

The next full bonus declarations will take place at the end of this year and will be in respect of the three years to December 31 1982. The company announces that thereafter bonuses will be declared on an annual basis. Quotations are now being given assuming the current interim rates on an *annual compounding basis*.

The company is also increasing its policy fees from 75p to 90p per month—the new annual premium charge being £9.

GEORGE DEW

Taxable profits of G. Dew and Company (the old group) for the year ended November 1, 1981 came to £3.24m. Of this £506,000 was attributable to George Dew (the new group) as post acquisition profits.

George Dew was formed as a result of a management buy-out (and subsequent placing) of G. Dew and Company from the Dutch parent, Royal Volker Stevin.

RESULTS AND ACCOUNTS IN BRIEF

CANADIAN AND FOREIGN INVESTMENT TRUST—Net asset value per share at January 31 1982 203.3p after prior charges at par.

ST. ANDREW TRUST—Net asset value per share at January 31 1982 210.4p after prior charges at par.

GENERAL FUNDS INVESTMENT TRUST—Results for year to January 15 1982: revenue after tax £513,263 (£520,351); preference dividends £5,250 (same); ordinary dividends £502,176 (£483,765); total assets £22.14m (£20.1m); asset value per 25p share 379.65p and (354.35p xd) and 10p share 353.07p nd (319.92p xd); final net dividend 6.5p (6.25p) making 8p (7.75p). Meeting: King William Street, EC, April 15, 12.30 pm.

MOUNTVIEW GROUP (property investment and development)—Taxable profits for the half year to October 31 1981 £231,000 (£217,000), including property division £262,000 (£241,000) and worsted manufacturing losses of £31,000 (£24,000). Textile interests disposed of in June 1981. Pre-tax profits struck after depreciation of £22,000 (£45,000) and interest of £175,000 (£113,000). Turnover £3.13m (£2.1m), including property sales £1.76m (£946,000), rental income £230,000 (£117,000) and worsted manufacturing £1.14m (£1.03m). Interim dividend 1p (same) net per 25p share—company anticipates at least maintained total (3.5p).

DRAYTON PREMIER INVESTMENT TRUST—Net revenue for 1981, £3.54m (£3.31m) after tax of £2.37m (£2.17m). Final dividend 7.71p (7.2p) making total 10.71p (10.2p). Net asset value 304.75p (292.5p).

DRAYTON COMMERCIAL INVESTMENT TRUST—Net revenue for 1981 £2.15m (£2.09m) after tax of £1.43m (£1.32m). Final dividend 5.35p (5p) making total 7.25p (7p). Net asset value 222.5p (215.5p).

RIVER PLATE AND GENERAL INVESTMENT TRUST—Gross revenue for 1981 £1.49m (£1.46m). Surplus on realisation and revaluation of subsidiaries £38,731 (£36,902). Tax £461,865 (£443,266). Stated earnings per 25p deferred share 5.47p (5.53p adjusted). Final dividend 4.25p (4p adjusted), making 5.5p net (5.25p adjusted). Net asset value per share 154p (143.3p adjusted).

CITY AND FOREIGN INVESTMENT COMPANY (investment trust)—Revenue for 1981 after all charges (including tax £1,361: (£36,639). Tax £370 (£12,545). No dividend (0.7p net). Net asset value 35p (79p) per 25p share.

RIVER AND MERCANTILE TRUST—After tax revenue £1.93m (£1.8m) final dividend 9p on increased capital (5p adjusted) making total of 7.5p (7.5p adjusted). Gross revenue £2.91m (£3.19m). Tax £807,994 (£1.01m). Earnings per 25p share 7.11p (7.82p adjusted). Valuation of investments £43.26 (£38.01m). Net asset value 167.16p (152.93p adjusted).

LONDON AND GARTMORE INVESTMENT TRUST—Gross revenue for six months to December 31, 1981, £144,148 (£177,731): debenture and loan interest £31,505 (£33,860); available for shareholders (after expenses and estimated taxation) £3,224 (£52,106) tax £12,756 (£35,513): earnings per share 0.08p (1.226p).

SPAIN

1981-82 High	Low		Feb 12 Price %
350	251	Banco Bilbao	337
362	330	Banco Central	360
324	229	Banco Exterior	315
337	239	Banco Hispano	320
128	115	Banco Ind. Cat.	115
383	284	Banco Santander	380
228	148	Banco Urquijo	226
395	263	Banco Vizcaya	382
252	203	Banco Zaragoza	238
180	82	Dragados	175
75	45	Espanola Zinc	65
72	55	Fecsa	62
55	22	Gal. Preciados	44.5
82.7	63.5	Hidrola	68.2
62.5	50	Iberduero	51
104.5	70	Petroleos	102
104	70	Petroliber	84
102	15	Sogefisa	15
80	60	Telefonica	73
78.2	60	Union Elect.	65.2

THE TRING HALL USM INDEX

118.0 (—0.1)

close of business 12/2/82

BASE DATE 10/11/80 100

Tel: 01-638 1591

LADBROKE INDEX

Close 567-572 (—1)

PENDING DIVIDENDS

Dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements except where the forthcoming board meetings (indicated thus*) have been officially published. It should be emphasised that dividends to be declared will not necessarily be at the amounts in the column headed "Announcement last year."

	Date	Announcement last year
*Anglo American Gold	Mar 11	Final 600c
Armstrong Equipment	Mar 25	Int. 0.55
Ault and Wiborg	Mar 6	Final 1.05
BBA	Mar 26	Final 0.9
*BICC	Mar 24	Final 6.4
BSR	Mar 18	Final nil
BTR	Mar 12	Final 5.5
*Barclays Bk.	Mar 1	Final 8.25
*Barratt Devpmts.	Mar 17	Int. 3.5
Bejam	Mar 18	Int. 1.25
Bell (A.)	Mar 25	Int. 2.332
Beecham	Mar 25	Final 7.1
*Bibby (J.)	Mar 18	Final 4.825
*Birmid Qualcast	Feb 17	Final nil
Boddingtons Breweries	Mar 19	Final 1.8
British Aluminium	Mar 11	Final 2.0
*British Petroleum	Mar 12	Final 14.0
British Vita	Mar 3	Final 2.6
Brown Bros.	Feb 26	Int. 1.0
*Cadbury Schweppes	Mar 11	Final 2.9
Carrington Viyella	Feb 25	Final nil
Cement Roadstone	Mar 18	Final 3.23
*Commercial Bank Aust.	Feb 25	Int. 10c
*Commercial Union	Feb 23	Final 8.4
*Cons. Gold Fields	Mar 3	Int. 8.5
DRG	Mar 18	Final 3.0
*Dalgety	Feb 18	Int. 11.0
*De Beers	Mar 2	Final 50c
[illegible] Steels	Mar 17	Int. nil
Eagle Star	Mar 26	Final 5.5
Fairclough Constn.	Mar 17	Final 2.85
Fisons	Mar 2	Final 3.1
General Mining	Mar 5	Final 100c
Guest Keen	Mar 18	Final 4.0
*Guinness Peat	Mar 18	Int. 2.75
Hepworth Ceramic	Mar 19	Final 4.286
*Hongkong and Sh'ghai Bkg.	Mar 8	Final HK30.47
Hoover	Feb 23	Final 2.0
*ICI	Feb 25	Sec. Int. 5.0
*IMI	Feb 25	Final 2.5
Kleinwort Benson	Mar 25	Final 6.0
Lex Service	Mar 19	Final 4.2
*Lloyds Bank	Feb 19	Final 9.6
Lucas Inds.	Mar 26	Int. 2.6
*Marchwiel	Feb 23	Final 3.6
Midland Bank	Mar 29	Final 14.0
Mills and Allen Intl.	Mar 29	Int. 5.0
Mitchell Cotts	Mar 19	Int. 0.896
*NatWest	Feb 23	Final 13.25
News Intl.	Mar 26	Int. 2.3395
Nottingham Manufg.	Feb 23	Final 3.0
*Plessey	Feb 25	Int. 3.22
Prudential	Mar 25	Final 7.0
*Ransomes Sims and Jefferies	Mar 4	Final 3.0
*[illegible]	Mar 4	Final 1.0
Rockware	Mar 25	Final 2.1
Royal Dutch Petroleum	Mar 12	Final Fl 3.35
*Royal Insce.	Mar 1	Final 14.75
Shell Transport	Mar 12	Final 10.5
*Simon Engg.	Feb 18	Int. 10%
Slough Ests.	Mar 25	Final 1.95
Smith and Nephew	Mar 24	Final 2.6
*[illegible]	Mar 5	Int. nil
STC	Mar 25	Final 8.0
[illegible]	Mar 19	Final 8.5
Tilling (T.)	Mar 18	Final 4.0
*[illegible]	Mar 18	Final 2.8
Tricentrol	Mar 19	Final 2.9
*Tube Invs.	Mar 10	Final 6.0
*Turner and Newall	Mar 17	Final 3.0
Ultramar	Mar 11	Final 7.0
*Unilever	Mar 4	Final [illegible]
*Utd. Biscuits	Mar 11	Final 2.6
Utd. City Merchants	Mar 12	Int. 0.6
Willis Faber	Mar 23	Final 8.2
Wolseley-Hughes	Mar 13	Int. 4.4
*Woolworth (F. W.)	Mar 10	Final 3.889

* Board meeting intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made. ¶ Forecast.

BASE LENDING RATES

A.B.N. Bank	14 %
Allied Irish Bank	14 %
American Express Bk.	14 %
Amro Bank	14 %
Henry Ansbacher	14 %
Arbuthnot Latham	14 %
Associates Cap. Corp.	14 %
Banco de Bilbao	14 %
BCCI	14 %
Bank Hapoalim BM	14 %
Bank Leumi (UK) plc	14 %
Bank of Cyprus	14 %
Bank Street Sec. Ltd.	15½%
Bank of N.S.W.	14 %
Banque Belge Ltd.	14 %
Banque du Rhone et de la Tamise S.A.	14½%
Barclays Bank	14 %
Beneficial Trust Ltd.	15 %
Bremar Holdings Ltd.	15 %
Bristol & West Invest.	15 %
Brit. Bank of Mid. East	14 %
■ Brown Shipley	14½%
Canada Perm't Trust	14½%
Castle Court Trust Ltd.	14½%
Cavendish G'ty T'st Ltd.	15½%
Cayzer Ltd.	14 %
Cedar Holdings	14 %
■ Charterhouse Japhet	14 %
Choulartons	14½%
Citibank Savings	¶14¾%
Clydesdale Bank	14 %
C. E. Coates	15 %
Consolidated Credits	14 %
Co-operative Bank	*14 %
Corinthian Secs.	14 %
The Cyprus Popular Bk.	14 %
Duncan Lawrie	14 %
Eagil Trust	14 %
E.T. Trust	14½%
Exeter Trust Ltd.	15 %
First Nat. Fin. Corp.	17 %
First Nat. Secs. Ltd.	17 %
Robert Fraser	14 %
Grindlays Bank	‡14 %
■ Guinness Mahon	14 %
■ Hambros Bank	14 %
Heritable & Gen. Trust	14 %
■ Hill Samuel	§14 %
C. Hoare & Co.	†14 %
Hongkong & Shanghai	14 %
Knowsley & Co. Ltd.	14½%
Lloyds Bank	14 %
Mallinhall Limited	14 %
Edward Manson & Co.	15 %
Midland Bank	14 %
■ Samuel Montagu	14 %
■ Morgan Grenfell	14 %
National Westminster	14 %
Norwich General Trust	14 %
P. S. Refson & Co.	14 %
Roxburghe Guarantee	14½%
E. S. Schwab	14 %
Slavenburg's Bank	14 %
Standard Chartered	‡14 %
Trade Dev. Bank	14 %
Trustee Savings Bank	14 %
TCB Ltd.	14 %
United Bank of Kuwait	14 %
Whiteaway Laidlaw	14½%
Williams & Glyn's	14 %
Wintrust Secs. Ltd.	14 %
Yorkshire Bank	14 %

■ Members of the Accepting Houses Committee.

* 7-day deposits 11.50%, 1-month 11.75%. Short term £8,000/12 month 14.10%.

† 7-day deposits on sums of under £10,000 11½%, £10,000 up to £50,000 12¼%, £50,000 and over 12½%.

‡ Call deposits £1,000 and over 11½%.

§ 21-day deposits over £1,000 13%.

¶ Demand deposits 12%.

¶ Mortgage base rate.

Public Works Loan Board rates

Effective February 6

Years	Quota loans repaid at‡	by EIP†	At maturity§	Non-quota loans A* repaid at‡	by EIP†	At maturity§
Up to 5	15¾	15¾	15¾	16	16¼	16¼
Over 5, up to 6	15¾	15¾	15¾	16	16¼	16¼
Over 6, up to 7	15¾	15¾	15¾	16	16¼	16¼
Over 7, up to 8	15¾	15¾	15¾	16	16¼	16¼
Over 8, up to 9	15¾	15¾	15¾	16	16¼	16¼
Over 9, up to 10	16	15¾	15¾	16¼	16¼	16¼
Over 10, up to 15	16	15¾	15¾	16¼	16¼	16¼
Over 15, up to 25	15¾	15¾	15¾	16¼	16	16
Over 25	15¾	15¾	15¾	16	16	16

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

1981-82 Capitalisation £000's	Company	Price	Change on week	Gross div. (p)	Yield %	P/E Actual	P/E Fully taxed
1,234	ASI Hldgs. 10pc CULS	124	+3	10.0	8.1	—	—
4,052	Airsprung	70	—	4.7	6.7	11.1	15.4
1,100	Armitage and Rhodes	44	—	4.3	9.8	3.7	6.4
12,464	Bardon Hill	206	—	9.7	4.8	9.8	12.1
8,958	Deborah Services	77	—	5.0	7.8	3.8	7.2
4,143	Frank Horsell	130	+1	6.4	4.9	11.7	24.1
11,702	Frederick Parker	81	+1	7.7	9.5	3.1	—
941	George Blair	51	—	—	—	—	—
3,898	IPC	103	—	7.3	[illegible]	[illegible]	[illegible]
2,520	Isis Conv. Pref.	105	—	15.7	15.0	—	—
2,378	Jackson Group	94	—	7.0	7.4	3.0	6.7
15,157	James Burrough	112	—	8.7	7.8	8.8	10.5
2,591	Robert Jenkins	254	+2	31.3	12.3	3.5	9.0
2,760	Scruttons "A"	58	—	5.3	9.5	8.6	3.0
4,003	Torday and Carlisle	164	—	10.7	6.5	5.2	9.2
2,885	Twinlock Ord.	13½	+0½	—	—	—	—
2,102	Twinlock ULS	77	+1	15.0	18.5	—	—
4,120	Unilock Holdings	27	—	3.0	11.1	4.8	8.2
9,253	Walter Alexander	73xd	−2	6.4	8.8	4.8	8.5
5,228	W. S. Yeates	224	+5	13.1	5.8	3.2	8.6

Prices now available on Prestel page 48146.

IMPERIAL CHEMICAL INDUSTRIES LIMITED

US$30,000,000 6½ PER CENT BONDS 1982

Final Redemption

Notice is hereby given that all outstanding bonds, US$6,000,000 nominal, of the above Loan are due for redemption on 15th March, 1982 from which date all interest thereon will cease.

The above mentioned Bonds with Coupons due 15th March, 1982 attached may be lodged for repayment on or after the 15th March, 1982 at the Offices of J. Henry Schroder Bank & Trust Co., 1 State Street, New York, N.Y. 10015, U.S.A., Bank Mees & Hope, 1000 AG Amsterdam, Banque Generale du Luxembourg, 14 rue Aldringen, Luxembourg, Union Bank of Switzerland, Bahnhofstrasse 45, Zurich, Swiss Bank Corporation, Aeschenvorstadt 1, Basle, Swiss Credit Bank, Paradeplatz, Zurich.

London 15th February, 1982.

INTERNATIONAL CAPITAL MARKETS

CREDITS

Crucial week for Poland

THIS WEEK will be crucial in the long-drawn out saga of Poland's debt renegotiation with Western banks. Today it is due to complete interest payments still outstanding from 1981.

Once these payments are complete the 500 banks involved in the rescheduling talks will be able to proceed with arrangements for signing the agreement to defar repaymeot till 1988 of some $2.4bn in debt thet fell due *in the last three* quarters of 1981.

The end of last week found bankers on tenterhooks wondering whether Poland would meet its self-imosed target date for the interest payments.

Best estimates in the market were that around $100m still had to be found, but no one bas been keeping a precise tally so far, partly because individuel banks are very coy about telling each other bow much they are owed.

It will nnly be after the close of the business today that the leading banks io the negotiations will begin checking to see whether all the payments bave been made.

If they have not, the signing of the agreement will be pushed further into the future. If it has, a date will be set for the signing, probably in early March, and the banks will heave a collective sigh of relief that the first chapter in the most complicated commercial debt rescheduling ever is nearly over.

But tha second chapter will begin almost immediately with talks on rescheduling debt falling dne this year. The banks generally want to proceed with rescheduling arrangements despite political pressures welling up io some Washington quarters for e default to be called.

In the Eurocredit market itself the main development of last week was the announcement of terms for the four year $2bn credit being sought by Mexico's state oil concern Pemex. These involve a margin of ⅞ per cent over London interbank offered rate (Libor) or ¾ per cent over U.S. prime rate, and confirm the npward movement in margins for Mexico that bas taken placa over the past few months.

Eyes are, however, now turning increasingly towards Southern Europe where large loans are coming up for Greece (around $400m), Spain ($400m tn $500m) and, by April, Portugal which mey be seeking as much as $650m.

All these credits will be closely watched as the mood of the market would dictate e slight upward shift in margins in all three cases, at least if a widespread syndlcation is boped for. But the spirit of competition is still strong in some sectors of the Eurocredit market and this could lead to tbe continuation of very fine margins on some of these credits.

A keenly awaited mandate et the end of last week was the $200m credit being sought by Argentina's electricity ntility SEGBA. Once again Argentina is taking longer than expected to decide on a deal and bankers are pointing increasingly tn the number of short-term loans being offered discreetly ln the market by public sector entitiea.

Typically these involve a mergin of 1 per cent for a year or 18 months, which is close to the yield obtainable on medium term loans. Argentinian officials say they are trying to stauocb the flow of such busioess having already reduced tbe short-term borrowing of the government itself to eround $500m from $2bn et its peak last year.

In the sbort-term market Ecuador has upset some bankers by opting for a *$200m*, one-year loan through Shearson Loeb Rhoades rather than tbe medium term deel originally promised. The loan will be sold on a discount to yield basis offering effective margins ranging between 11/16 end 7/16 depending on the amount taken.

These margins are somewhet lower than would beve been available on a medium term loan, bankers say.

In the Far East the Philippines last week signed its $325m credit which acbieved a merket sell-down of only eround $40m. Interest was reported to be stronger by cootrast in a new $110m credit for the private sector Philippine Long Distance Telepbooe which is being led hy Europeen Asian Benk on a split 1-1⅛ per cent margin.

Peter Montagnon

INTERNATIONAL BONDS

Floating rate notes in fashion

FLOATING RATE NOTES almost seemed to be catching up with zero coupon bonds as the latest fashion in the Eurobond market last week.

Not only did Sweden set a new record for the market with en increase to $650m from $400m in its issue first announced on Tuesday, but there were also floating rate notes in the market for Denmark and by Friday for France's Caisse Centrale de Cooperation Economique as well.

This latter issue—$100m with a ⅜ per cent margin over the mean of the bid and offered three month Eurodoller rate—waa understood to be meeting strong interest despite its unusually long life of 20 years, as investors continue to show signs of wanting tn protect themselves against volatile interest rate movements.

Bankers are generally reluctant to claim that floating rate notes are becoming the instrument of the future but there is no doubt that the high total return available qn such issues coupled with tha security of capital value is enconraging interest from a broader spectrum of investors.

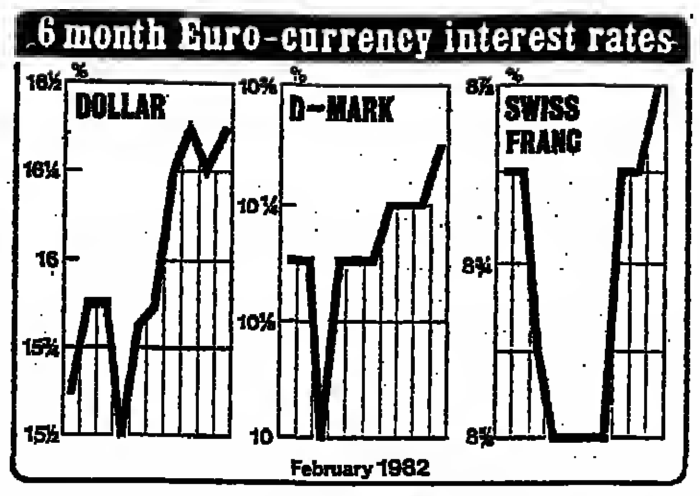
Essantially floating rate notes offer a link between the bond and the money markets becanse the coupon fluctuetes in line with short-term rates. This link was taken a step further on Friday with the launch by the Austrian Kontrollbank (OKB) of a five-year tap issua nf floating rate deposit notes.

Up to $100m of the notes will be sold on a yield basis with a nominal rate of interest ⅛-point below the London interbank bid rate at the time of the interest rate fixing.

Investors can bowever nffer the notes for repurchase by the borrower at par at each three-monthly interest rate change. Notes so redeemed will be offered for resale by the dealer-managers to the issue: Orion Royal, European Banking, and Manufacturers Hanover.

Besides floating rate issues, the market also saw a fairly steady flow of fixed rate finance last week culminating in a $100m, 15¾ per cent, seven-year bond at par for Contineotal Illinois launched on Friday through Morgan Grenfell.

The 13-year trenche of the General Electric zero coupon issue was increased by $100m to $500m, while BASF came to the market for the first time in more than ten years with a $165m issue with warrants.



It was bard to tell on Friday bow successful this issue had been, partly because the closure of the New York market had dempened market activity.

Prices in all major sectors of the bond market moved in very narrow ranges lest week with dollar bonds shedding ½ point on average, Swiss franc issues ½ point, and D-Mark bonds remaining about unchanged.

In the money markets six-month Eurodollars put on about ¾ points to 16⅞ per cent. Smaller rises were seen in Swiss franc and D-Mark rates.

The D-Mark sector saw the launch of its largest and longest calendar ever. Over a two month period foreign bonds for a total of DM 2.35bn are to be brought to the market.

However, bankers say thet the volume corresponds roughly to the amount of interest and principal repayments into the market so it should not pose a great strain in itself.

Despite the radical improvement of Germany's balance of paymeots situation, the Bundesbank is anxious to avoid overloading the bond market because of the beavy domestic fioancing requirements of the public sector, they said.

Peter Montagnon

EUROSTERLING BONDS

Re-opening to test domestic demand

THERE HAVE been 37 straight Eurosterling bonds issued since 1976, ten of them by UK borrowers. Most observers agree they attracted relatively few UK domestic investors to the primary market, either before or after the lifting of UK foreign exchange controls in 1979.

The market has now re-opened after almost a year in hibernation. The level of demand from British retail buyers—as well as City of London Institutions—is one *of several* intriguing questions which will be raised by any sustained run of new issues.

The catalyst for the re-opening waa undoubtedly the good reception for Barclevs Bank's £100m 16 per cent loan stock in the domestic debenture market.

This suggested some demand for Eurosterling bonds as well. The first borrower to test this presumption is the paper and packaging group Reed International, issuing a £25m 1989 bond via its Netherlands Antilles subsidiary. A large manegement group led by S. G. Warburg embraces seven nationalities.

The indicated coupon is 16¾ per cent and the bond will be priced on February 17. Comparable gilts were initially yielding abont 15¼ per cent. Bond traders suggested that a premium for the bond of about 125 basis points looked appropriate bnt gilts rallied strongly by the end of last week and a coupon adjustment must be a possibility.

Domestic demand does indeed appear to have been stronger than ln the late 1970s, with City banks and insurance companies adding to the traditional Euromarket sources.

International support for the Eurosterling bond still remains more important, however. It rises and falls principally in line with views on sterling. In practice thia means the bond sector will continue to feed off the crumbs from the gilts table.

It also means the offering yield on a Eurosterling bond probably merits little of the precision lavished, for example, on the differential between Yankee bonds and U.S. Treasury notes. As one banker commented last week, "Eurodollar paper is for investors, Eurosterling is for punters."

D. Campbell-Smith

CURRENT INTERNATIONAL BOND ISSUES

Borrowers	Amount m.	Maturity	Av. life years	Coupon %	Price	Lead manager	Offer yield %
U.S. DOLLARS							
McDonnell Douglas‡	50	1989	7	17	100	Merrill Lynch	17.000
Honda Motor Co.§‡	80	1997	15	5½	100	Nomura Intl., Merrill Lynch	5.500
Denmark†‡	100	1992	10	—	100	Citicorp Intl., Chase Manhattan, Fuji Intl., Fin., Morgan Guaranty	—
Arizona Public Service‡	25	1989	7	16	99.5	CSFB	16.123
Carolina Power	60	1989	7	16½	*	Merrill Lynch	*
Sweden†‡	650	1989	7	5¼ⓘ	100	CSFB	5.250ⓘ
Sumitomo Electric§	50	1997	15	*	100	Daiwa Secs.	*
Hitachi Maxell§	30	1997	15	*	100	Nikko Secs.	*
General Electric‡	500	1995	13	0	17.25	Morgan Stanley, Goldman Sachs	14.470
General Electric‡	200	1994	12	0	19.75	Morgan Stanley, Goldman Sachs	14.470
Gulf Oil‡	300	1992	10	0	25.82	Dean Witter Reynolds, Deutsche Bank, UBS Secs.	14.500
BASF‡	165	1988	6	11	100	Deutsche Bank	16.00
New Brunswick Electric‡	75	1989	7	16½	99.5	CSFB	16.375
Continental Illinois‡	100	1989	7	15¾	100	Morgan Grenfell	15.750
CCCE†‡	100	2002	15	5¼	100	BNP, Dillon Read	5.250
OKB‖†‡	100	1987	5	—	—	Orion Royal Bank	—
Trans-Western Exploration§	10	1997	15	*	100	Bateman Eichler, Hill Richards Intl.	*
CANADIAN DOLLARS							
Toronto Dominion‡	25	1988	6	16½¶	100	Continental Illinois	16.500
City of Montreal	50	1989	6	*	*	Kredietbank, Banque Bruxelles Lambert, Societe Generale	*
D-MARKS							
Prov. of Quebec‡	150	1992	10	10⅛	100½	Commerzbank	10.084
Tauernautobahn	50	1994	12	9⅞	*	West LB	*
SATS**‡	50	1986	4	10½	100	BHF Bank	10.500
Australia‡	200	1991	9	9¾	100	Deutsche Bank	10.375
Denmark	100	1988	6	10	*	West LB	*
Denmark	100	1992	10	10¼	*	West LB	*
SWISS FRANCS							
Oest. Postsparkasse‡	100	1992	—	7¼	99½	Kredietbank	7.322
CNT‡	100	1992	—	7¼	100	CS	7.250
Manitoba Province‡	100	1992	—	7	100	UBS	7.000
Machi-Fujikoshi**§‡	50	1987	—	5¾	100	UBS	5.750
Nakayama Steel**§	30	1987	—	*	100	UBS	*
Landsvirkjun‡	25	1992	—	8	100	Handelsbank, Bank von Ernst	8.000
Secsa**†‡	33	1989	—	6½ⓘ	100	Soditic	6.500ⓘ
Canada**‡	300	1987	—	7¼	100	CS	7.250
LUX FRANCS							
Credit Lyonnais‡	500	1989	7	13	100	Kredietbank (Lux)	13.000
STERLING							
Reed Intl.	25	1989	6.4	16¾	*	SG Warburg	*
YEN							
Japan Airlines‡	8.6bn	1987	5	7⅞	100	Daiwa Secs., Morgan Guaranty	7.875
Imatran Vioma Oy‡	10bn	1994	10.32	8.4	99.8	Daiwa Secs.	8.462
Euratom‡	20bn	1992	10	8.3	99.65	Nomura Secs.	8.352
EGAT**‡	10bn	1994	9.2	8.9	100	Long Term Credit Bank of Japan	8.900

* Not yet priced. ‡ Final terms. ** Placement. † Floating rate note. ⓘ Minimum. § Convertible. †† Registered with U.S. Securities and Exchange Commission. ¶ For 3 years. Thereafter at 17 per cent. ‖ To be sold on a yield basis.
Note: Yields are calculated on AIBD basis.

US BONDS

Wall Street remains bearish on outlook for interest rates

WITH TODAY'S Bank Holiday in observance of Washington's birthday, Wall Street will have extra time to size up the credit outlook when the markets re-open for trading tomorrow. But there seems little prospect of a decline in interest rates. The only question is whether they will go up, and how far.

Last Friday's money supply report from the Fed contained a nasty shock in the form of a surprise $2.3bn rise in M1. Wall Street had been looking for a further decline to chip more of the big bulge which has caused so much trouble. This disappointment is certain to maintain upward pressure on interest rates, though the market may feel in light of the more flexible monetary policy laid out last week by Mr Paul Volcker, the chairman, that there is no cause for great alarm.

Technical bulge

In his Congressional testimony, he said the Fed was willing to tolerate a higher level of money supply for a few months, partly because M1 fell way below target last year, partly because the reasons for the recent bulge appear to be technical. However, there is no escaping the fact that M1 at its current level is uncomfortably above target, and growing at about three times the rate the Fed wants. So, even if the central bank wishes to avoid drastic action to bring M1 down, it is certain to keep a tight grip on credit.

Interest rates are likely, therefore, to remain at their recent high levels, which could eventually force another increase in the prime rate, even the discount rate.

The worsening of the money supply came at the end of a week dominated by worries about the severe imbalance in President Reagan's budgets in the next three years. The Administration's deficit forecasts carry little credibility on Wall Street, which seriously doubts that Congress will pass either the extra spending cuts or the tax increases necessary to balance the budget better. Actual deficits are expected to be much larger than the White House projects.

Even Mr Volcker, using uncharacteristically strong language for a central banker, termed then a "major hazard" which could jeopardise economic growth.

Mid-week rally

These fears depressed an already badly demoralised bond market, and ensured that short-term interest rates remained high. The market drew some comfort from Mr Volcker's more flexible policy, and that sparked a brief mid-week rally. But trading was thin, and the market is still threatened by a large overhang of unsold Treasury paper from the recent Government auction.

Some optimistic analysts believe that the extraordinarily high real yields available in the market contain the seeds of a rally. With top grade corporate bonds yielding 16 per cent and inflation well below 10 per cent, rare investment opportunities await those bold enough to take the plunge. However, the combination of the money supply problem and the deficit also looks very forbidding.

Among the few intrepid borrowers who dared enter the market, Citicorp sold $200m of five-year notes yielding 16.5 per cent. It was the first major borrowing by a financial institution for some time — and the first by Citicorp since its credit rating was lopped from Triple A to Double A because of its recent earnings problems. But it sold quite briskly.

Little new issue activity is expected this week.

David Lascelles

U.S. INTEREST RATES (%)

	Week to Feb 12	Week to Feb 5
Fed. funds wkly. av.	16.33	15.43
3-month Treas. bills	14.14	13.75
3-month CD	15.50	15.25
30-year Treas. bonds	14.46	14.47
AAA Util.	16.75	16.75
AA Industrial	16.38	16.00

Source: Salomon Brothers (estimates). M1 rose $2.3bn to a seasonally adjusted $449.7bn in the week to February 3.

Yugoslavia to resume new medium-term loan talks

BY DAVID BUCHAN

YUGOSLAVIA intends to resume negotiations for a new medium-term loan from Western banks, on the strength of new official figures showing its overall 1981 current account deficit reduced to $750m.

Yugoslavia evidently hopes last year's better than forecast balance of payments performance, together with the expectation of early approval by the International Monetary Fund of another $500m-$700m drawing by Yugoslavia on its current standby credit, will have a favourable impact on the market, which is worried in general by the prospect of lending to East Europe.

Yugoslavia is anxious to be differentiated from the risks associated with Poland, in particular, and with other East European economies in trouble, such as Romania. Last year Yugoslavia ran a $1.4bn deficit on its hard currency transactions, but chalked up a balance of payments surplus equivalent to $650m, with East European state-trading countries.

Yugoslav diplomats expressed the hope that negotiations for a new loan with British, U.S., Canadian, and Japanese banks might be completed by late March.

But London bankers said this might not be realistic. They noted that while Yugoslavia had, with IMF backing, clearly made progress in curbing imports and cutting back investments, its 1981 surplus with East European partners only balanced a corporate deficit over the two previous years.

The bankers believed that the Yugoslavia Government was testing out Western financial sentiment with a view to getting a politically symbolic loan in the wake of the military crackdown in Poland. Yugoslavia, however, still had no real problem in getting sufficient short term credit, but was rather concerned with building up its reserves. According to the latest figures from Belgrade, foreign currency reserves totalled $2.69bn, and net foreign indebtedness was $16.8bn.

Yugoslavia has succeeded in reducing its hard currency deficit from $3.3bn in 1979, $2bn in 1980, to $1.4bn last year. While this was clear progress, one banker in London said the Yugoslavs know, "they are not out of the woods yet, and we know it too."

The Belgrade government's official target is to reduce this year's current account deficit to $500m and to zero in 1983.

This goal is regarded as ambitious even by some IMF officials. According to a background paper circulated last week by the Yugoslav government, "realisation of these targets in the balance of payments will enable the maintenance of foreign currency reserves at the optimal level sufficient to cover average two-monthly external payments."

The paper also comments that "repayment of mature instalments of foreign debts remains the primary task."

Oil exporting countries become net borrowers

OIL EXPORTING countries have become net borrowers of funds from major Western banks for the first time since the end of 1978, the Bank for International Settlements (BIS) disclosed in its latest quarterly report.

The BIS attributed the change largely to a decline in the huge balance of payments surpluses built up by oil exporters as a result of big price increases in 1979 and 1980. An oil glut has developed since the middle of last year and prices have begun to crumble.

The bank said that new borrowing by members of the Organisation of Petroleum Exporting Countries (Opec) rose to $2.4bn in the third quarter of last year, from $1.3bn in the previous three months, while their deposits fell by $700m.

Opec countries were also tending to put more money into long-term investments which are outside the banks and thus do not show up in the statistics, the report said.

The report also showed that the Soviet Union, whose deposits fell in the first half of the year to $3.6bn from $8.6bn, had replenished its accounts at Western banks to $4.5bn by the end of September.

The third quarter upturn occurred when Moscow had resumed selling gold after staying out of the market in the first half but this was not mentioned in the report. The BIS had earlier linked the big drawdown in Soviet deposits with possible aid to Poland.

The report also said that Moscow's net indebtedness to the Western banking system in the first nine months of the year increased by $6bn. Among non-Opec countries outside the major Western nations, this was exceeded only by Mexico with $8.4bn.

The Soviet Union's gross debt to the banks stood at $15.4bn at the end of September, compared with $14.1bn three months earlier and $13.4bn at the end of 1980.

Eastern European countries as a whole tended to accumulate funds with the banks in the third quarter, instead of making withdrawals as in the preceding quarter, and they also made less new borrowing, the BIS said.

Eastern Europe thus changed from being a net taker of $3.1bn of funds in the second quarter to being a net supplier of $300m.

Poland's deposits had risen to $806m at the end of September from $546m three months previously, while its debt was barely changed at $14.2bn. Romania's deposits were $334m compared with $319m and its debt had declined to $4.7bn from $5.1bn.

The BIS figures showed that the big inflows of funds to the banks from Opec countries rose from $3bn in 1976 to $29.9bn in 1979 and $33.9bn in 1980, falling to $4.6bn in the first nine months of 1981.

Outflows to other countries as banks recycled the funds after some delay, were $31.5bn in 1976, $25.8bn in 1979, $50.8bn in 1980 and $39.8bn in the first three quarters of last year, Reuter

INTERNATIONAL APPOINTMENTS

Investment chief for Mellon Bank

● Mr Charles M. Kelso, Jnr, has been appointed chief investment officer and head of the institutional investment management division of MELLON BANK'S trust and investment department, Pittsburgh. He was senior vice-president and eastern regional manager at Callan Associates, San Francisco.

● Syd. Osman Abdalla El Nazir has been appointed managing director of KENANA SUGAR COMPANY, Khartoum. He replaces Syd. Mohamed Beshir El Wagie, who becomes chairman following his appointment as Minister of Industry in the Government of the Democratic Republic of the Sudan. Dr Faisal Al-Kazemi continues as deputy chairman.

● Dr David H. Sambar is leaving the SHARJAH GROUP to join the Mediterranee Investors Group. Mr Wael El-Miqdadi has been appointed managing director of the group. Mr El-Miqdadi was formerly managing director of Kuwait Oil Tanker (UK), London.

● The supervisory board of LUFTHANSA has elected Mr Heinz Ruhnau, State Secretary at the Transport Ministry of the Federal Government, to the airline's executive board as deputy chairman from April 1. On July 1 he will succeed Dr Herbert Culmann, who has been chairman of Lufthansa's five-man executive board since 1972, and who has asked the supervisory board to be released from office on June 30. The post of deputy chairman will then be taken over by Mr Reinhardt Abraham, technical executive board member.

● BRANIFF INTERNATIONAL CORPORATION, Dallas, has appointed the president Mr Howard D. Putnam as chief executive officer also replacing Mr John J. Casey, who will remain chairman. Mr Putnam, was chief operating officer, but that post will not be filled.

● METALLGESELLSCHAFT has appointed Dr Klaus von Lindeiner-Wildau and Mr Erik D. Menges to the executive board of the Lurgi Companies. Dr von Lindeiner will have responsibility for the finance and accounting of the Lurgi Group and Mr Menges will be responsible for business development.

● Mr Thomas W. Tucker has been appointed national executive for GENERAL ELECTRIC COMPANY of the U.S.'s Middle East-African business development division. He will be located in Riyadh.

● Mr Robert C. Little has been elected to the newly-created position of corporate vice-president-group executive McDONNELL DOUGLAS CORPORATION, St Louis, and Mr George S. Graff has retired as president of McDONNELL AIRCRAFT COMPANY. These are two of several senior management changes which become effective on April 1. Mr Donald Malvern, presently executive vice-president of McDonnell Aircraft, will succeed Mr Graff as president. Mr Harold D. Altis, presently McDonnell Douglas corporate vice-president-engineering and research, will become executive vice-president of McDonnell Aircraft. Mr Marvin D. Marks, vice-president-corporate wide programme manager-CX, will succeed Mr Altis as corporate vice-president-engineering and research.

● The BAHRAIN MONETARY AGENCY, which is the state's central bank, has appointed Shaikh Ibrahim Khalifa al Khalifa to the new post of assistant to the governor. Mr Abdulla Saif, Shaikh Khalifa was formerly head of banking control, and secretary to the BMA board.

● Dr Francis Christe has been appointed general manager of SWISS BANK CORPORATION, Basle, to succeed the late Dr H. Grob. Dr Georges Blum has been promoted to a central manager of the bank.

● Mr J. E. G. Essery is to be appointed deputy general manager of CSR's oil and gas division, and managing director of DELHI PETROLEUM PTY. He is currently deputy general manager of CSR sugar division, will be based in Adelaide, and will take up his duties on February 15.

● The NATIONAL OPTIONS SOCIETY, Chicago, has elected new officers. Elected president was Mr F. Martin Koenig, vice-president of Chase Investors Management Corporation, New York. Mr David D. Holt, president of TI Communication Incorporated, Woodland Hills, California, has been elected communications vice-president. Mr Donald R. Harkleroad, a partner in the law firm of Lamon, Elrod and Harkleroad of Atlanta, was re-elected administrative vice-president. Elected treasurer was Mr Robert E. Kommers, Jr, assistant vice-president and portfolio manager, Combined Insurance Company, Chicago. Elected secretary was Mr R. Sheldon Johnson, vice-president of Morgan Stanley and Co, New York.

● Mr Charles L. Norman has been appointed chairman of HARBOR INSURANCE COMPANY, Los Angeles, and PACIFIC INSURANCE COMPANY on February 1. Mr Edwin V. Hughes will succeed Mr Norman as president and chief executive officer of the companies' property and casualty insurance operations on that date. Mr Norman will retire from the Harbour on May 1. The companies are part of Foremark Corporation, a wholly-owned subsidiary of the Continental Corporation.

● At ENTERPRISE COMPANIES INC Mr John V. Melcher has been elected vice-chairman of the board and chief financial officer. Mr Harold B. Lee has been elected executive vice-president administration. Mr John T. McMahon has been elected executive vice-president and general counsel. Mr John L. Temerlin has been elected vice-president human resources. Mr C. R. Van Valkenburgh has been elected president and Mr Charles J. Roth executive vice-president of the Enterprise Petrochemical Company.

● Mr Alfred Powis, chairman and president Noranda Mines, and Mr Charles D. Dickey Jr, chairman of Scott Paper Company, have joined the BRASCAN board, Toronto. Mr Ted Freeman-Attwood and Mr William Brissenden retired from the board.

● Mr Sol Seltzer and Mr Howard L. Waltman have resigned as directors of BRADFORD NATIONAL CORPORATION, New York. They were senior officers in charge of the company's systems and administrative services divisions which were sold to McDonnell Douglas Company, a subsidiary of McDonnell Douglas Corporation. They have become officers and directors of McAuto Systems Group Incorporated, a subsidiary of McDonnell Douglas Automation.

● The board of MONTEDISON, Milan, co-opted Mr Giorgio Porta and Mr John J. Sweeney as members and subsequently appointed both of them managing directors of the company in the sectors of basic chemicals and fine chemicals. Mr Giorgio Baldini (managing director in charge of legal affairs) and Mr Carlo Mario Guerci resigned from the board.

● Mr Marco G. Barbesta, Mr William E. Mason, and Mr Peter E. Stiff have been named vice-presidents in the international division at INDUSTRIAL NATIONAL BANK, Providence, Rhode Island.

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FT INTERNATIONAL BOND SERVICE

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Anheuser-Busch 16½ 86	100	102⅝	102⅞	+0⅛	−0⅛	15.78
APS Fin. Co. 17¾ 86 ...	80	103¾	104⅛	+0⅛	−0⅛	15.89
Armco O/S Fin. 15⅜ 86	50	98⅞	99⅜	0	−0⅛	15.63
Bank Montreal 16¼ 91	150	99⅞	100⅜	+0⅛	−0⅛	16.21
Br. Colum. Hyd. 16¾ 88	100	101⅜	101⅞	+0⅛	+0⅛	15.78
Br. Colum. Mis. 17 97	54	102⅞	103⅜	+0⅛	0	16.41
Can. Nat. Rail 14⅝ 91	100	93⅛	93⅝	+0⅛	−0⅛	15.94
Caterpillar Fin. 16½ 86	100	102⅛	102⅝	0	+0⅛	15.68
CFMP 16¾ 96	100	101½	102	+0⅛	−0⅛	16.39
CIBC 16⅝ 91	100	101½	102	+0⅛	+0⅛	16.32
Citicorp O/S 16⅛ 86...	150	102⅞	103⅛	+0⅛	−0⅛	15.71
Cities Service 17 88 ...	150	102⅝	103	+0⅛	−0⅛	16.21
Cons.-Bathurst 17½ 88	60	102⅜	102⅞	0	−0⅛	16.78
CPC Fin. 16¾ 86	50	102⅝	103⅛	+0⅛	−0⅛	15.73
Dupont O/S 14½ 88 ...	400	96⅜	96⅞	+0⅛	−0⅛	15.29
EIB 16½ 88	100	100⅜	100⅞	+0⅛	−0⅛	16.33
EIB 16¾ 91	100	101	101½	+0⅛	−0⅛	16.43
GMAC O/S Fin. 16½ 84	300	100⅝	101⅛	+0⅛	0	15.90
Gulf States O/S 17½ 88	60	103½	104	+0⅛	−0⅛	16.45
Japan Airlines 15¼ 88...	50	99⅜	99⅞	0	−0⅛	15.30
Nat. Bk. Canada 16½ 88	40	100¼	100¾	0	−0⅛	17.02
Nat. West 14¾ 91	100	95⅜	95⅞	+0⅛	−0⅛	15.62
New Brunswick 17 88	90	104½	105	0	−0⅛	15.72
Newfoundland 17⅛ 89...	60	106⅛	106⅝	+0⅛	−0⅛	15.89
New & Lab. Hy. 17⅛ 89	75	103½	104	0	−0⅛	16.31
Ohio Edison Fin. 17½ 88	75	103¾	104¼	+0⅛	+0⅛	16.40
OKG 15¾ 87	50	97⅛	97⅝	0	0	16.19
Ontario Hyd. 16 91 (H)	200	100⅜	100⅞	+0⅛	−0⅛	15.88
Pac. Gas & El. 15⅜ 89	80	99	99½	+0⅛	+0⅛	15.92
Quebec Hydro 17¼ 91	150	103⅞	104⅜	+0⅛	+0⅛	16.31
Quebec Province 15⅜ 89	150	95⅛	95⅝	+0⅛	−0⅛	16.30
Saskatchewan 16⅜ 88	100	100⅝	101⅛	0	−0⅛	15.97
Statsforetag 15⅝ 87......	50	97⅞	98⅜	0	−0⅛	16.35
Sweden 14½ 88	150	93	93½	+0⅛	−0⅛	16.16
Swed. Ex. Cred. 16½ 93	75	100¼	100¾	+0⅛	−0⅛	16.33
Tenneco Int. 17 89	100	103⅞	104⅜	+0⅛	−0⅛	16.96
Texas Eastern 15⅞ 88...	75	98⅜	98⅞	0	−0⅛	16.12
Transcanada 17½ 88 ...	75	105⅝	106⅛	0	−0⅛	16.12
Transcanada 16 89 ...	100	98	98½	0	−0⅛	16.37
Walt Disney 15⅜ 86 ...	100	101⅞	102⅜	+0⅛	−0⅛	16.03
Winnepeg 17 88	50	103⅝	104⅛	0	+0⅛	15.68
WMC Fin. 15½ 86	50	96⅛	96⅝	0	−0⅛	16.38
World Bank 16 88	80	100¼	100¾	+0⅛	−0⅛	15.84
World Bank 16½ 86 ...	130	102½	103	+0⅛	0	15.54
World Bank 16½ 88 ...	100	101⅞	102⅜	−0⅛	−0⅛	15.95

Average price changes... On day +0⅛ on week −0⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 10 91	100	99	99½	+0⅛	−0⅞	10.10
Asian Dv. Bank 10¼ 89	100	102⅝	103⅛	+0⅛	+0⅛	10.19
Australia 9½ 91	300	98⅞	99⅜	0	−0¼	9.53
Belgelectric 11 91	100	100⅝	101⅛	0	−0⅛	10.81
CECA 10 91	120	100⅜	100⅞	−0⅛	+0⅛	9.91
Coun. of Europe 10 91	100	99⅝	100⅛	−0⅛	−0⅛	9.99
Coun. of Europe 10⅛ 91	100	100⅞	101⅜	+0⅛	+0⅛	10.06
FFC 10⅛ 93	100	100½	101	+0⅛	−0⅛	10.00
EIB 8¾ 90	200	92⅜	92⅞	−0⅛	0	9.81
EIB 10½ 91	200	102⅜	102⅞	0	−0⅛	10.04
Finland, Rep. of 10½ 86	100	100¾	101¼	0	+0⅛	10.16
Inter-American 10 91...	100	99⅝	100⅛	−0⅛	−0⅛	10.00
Inter-American 10⅛ 91	100	100⅞	101⅜	+0⅛	+0⅛	10.03
Ireland 10⅛ 86	100	100	100½	+0⅛	+0⅛	10.04
Japan Airlines 8½ 87...	100	95⅞	96⅜	+0⅛	+0⅛	8.97
Midland Int. Fin. 8½ 90	150	93⅝	94⅛	−0⅛	−0⅛	9.58
Mt. Bk. Dnmk. 10½ 91	100	99⅞	100⅜	0	+0⅛	10.46
New Zealand 9¾ 89 ...	200	100⅝	101⅛	+0⅛	+0⅛	9.60
OKB 10⅛ 91	150	100½	101	0	0	9.98
Quebec Hydro 10¼ 91...	150	102	102½	0	+0⅛	9.87
Renault Acpt. 10¾ 86	150	100⅜	100⅞	+0⅛	0	10.56
Swed. Ex. Cred. 10⅛ 91	100	98¾	99¼	−0⅛	−0⅛	10.32
World Bank 10 91	250	100⅝	101⅛	−0⅛	+0⅛	9.84

Average price changes... On day 0 on week 0

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aeroport Paris 6½ 91 ...	80	93⅛	93⅝	0	−0⅛	7.54
Asian Dev. Bank 8 90	80	101	101½	+0⅛	−0⅛	7.81
BFCE 6½ 91	100	94⅛	94½	0	−0⅛	7.37
Belgelectric Fin. 7¾ 91	100	101⅜	101⅞	+0⅛	+0⅛	7.48
Bell Canada 7¾ 93	100	103⅛	103⅝	−0⅛	−0⅛	8.30
Bergen, City of 6¼ 91	40	99½	99¾	0	−0⅛	6.80
Bet. de Autopistas 8 90	50	98⅛	98⅝	−0⅛	−0⅛	8.24
CECA 6¾ 91	80	98⅛	98½	+0⅛	+0⅛	6.95
Dome Petroleum 5¾ 91	100	92	92½	−0⅛	−0⅛	8.96
Dome Petroleum 7⅛ 90	100	101⅞	102⅜	−0⅛	−0⅛	6.92
Franc. Petroles 6½ 91...	80	94⅞	95⅜	+0⅛	−0⅛	7.26
Genster 7 91	100	101⅛	101⅝	−0⅛	−0⅛	6.77
Int. Amer. Dv. Bk. 7 91	100	97⅛	97⅝	0	−1⅛	7.38
I/S Elsam 8½ 91	50	102½	102⅞	−0½	−1⅛	8.09
Japan Air Lines 7¼ 91	100	102⅝	103	−0⅛	−0⅛	6.83
Neder. Gasunie 8 91...	100	105½	106	−0⅛	−0⅛	7.13
OKB 7 93	100	98½	98¾	+0⅛	−0⅛	7.18
OKB 7¼ 91	100	100⅜	100⅞	+0⅛	+0⅛	7.21
Oslo, City of 8 91	100	104⅝	104⅞	+0⅛	−0⅛	7.29
Saint Etienne 8½ 91 ...	20	104⅝	104⅞	+0⅛	−0⅛	7.80
Swed. Ex. Credit 7¼ 91	75	†96	97	−0⅛	−1⅛	7.79
TNT O/S Fin. 8 91......	50	103½	104	0	−0⅛	7.42
Unilever NV 7½ 93......	100	104½	104⅞	0	−0⅛	6.91
World Bank 6 91	100	90⅜	90⅞	−1⅛	−1⅞	7.47
World Bank 7 90	100	99	99½	0	+0½	7.14
World Bank 8 91	100	103⅛	103½	−0⅛	−0⅛	7.51

Average price changes... On day −0⅛ on week −0½

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bk. 8⅝ 91	15	98⅞	99⅜	−0⅛	+0⅛	8.42
Australia 6½ 88	20	90½	91½	+0⅛	+0⅛	8.39
EIB 7⅞ 89	12	96⅞	97⅞	−0⅛	−1⅛	8.22
Finland, Rep. of 8⅝ 87	15	98⅝	99⅝	−0⅛	+0⅛	8.57
Int.-Amer. Dev. 8⅞ 91	15	101⅛	102⅛	−0⅛	0	8.59
New Zealand 8⅞ 87 ...	15	99½	100⅜	−0⅛	−0⅛	8.36

Average price changes... On day −0⅛ on week −0⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Can. Utilities 17 86 C$	50	†97⅛	97⅞	0	−0⅛	17.47
Federal Dev. 17⅛ 86 C$	40	†101½	102½	0	−0⅛	17.01
GMAC (Can.) 18 87 C$	60	†104½	105½	0	−0⅛	16.48
Pancanadian 16½ 88 C$	65	†97	97½	0	−0⅛	17.17
Queb. Urban 16½ 88 C$	20	†100	101	0	0	16.54
Roynat 17¼ 85 C$	40	†100⅜	101⅛	0	+0⅛	16.88
Tordom Cpn. 13½ 86 C$	30	†93	94	0	+0⅛	16.14
M. Bk. Dnmk. 8 91 EUA	25	85⅜	86⅞	−0⅛	+0⅛	11.39
SOFTE 6⅛ 89 EUA	40	77⅛	78⅛	0	−0⅛	13.10
U. Bk. Nwy. 9½ 90 EUA	18	91⅛	92⅛	0	+0⅛	11.02
Algemene Bk. 10⅛ 86 Fl	100	97⅞	98⅜	+0⅛	+0⅛	10.84
Amfas Group 12¼ 88 Fl	40	102⅞	103	−0⅛	+0⅛	11.43
Amro Bank 12 86 Fl ...	75	101⅞	102⅞	0	+0⅛	11.39
Amro Bank 12 86 Fl ...	60	101½	102¼	+0⅛	+0⅛	11.39
Heineken NV 10 87 Fl...	100	96⅛	96⅞	−0⅛	−0⅛	10.82
Pierson 10⅛ 86 Fl	50	97⅛	97⅞	0	0	11.04
Rabobank 12 88 Fl	90	101½	102	−0⅛	+0½	11.42
Air France 14½ 86 FFr...	200	95	96	+0⅛	+1⅛	16.00
Bk. America 14½ 86 FFr	250	93¼	94¼	0	+1	16.43
Charb'nages 13⅞ 85 FFr	400	94½	95½	+0⅛	+1⅛	15.56
EIB 14¼ 88 FFr	300	91⅛	92⅛	0	+1⅛	16.42
La Redoute 14⅛ 86 FFr	125	91⅛	92⅝	+0⅛	+0⅛	17.24
OKB 14 86 FFr	400	93⅞	94⅞	+0⅛	+1⅛	16.00
Solvay et C. 14⅝ 86 FFr	200	94⅛	95⅛	0	+2	16.45
Swed. E. Cr. 14½ 86 FFr	250	94⅜	95⅜	+1⅛	+1⅛	16.23
U. Mex. Sts. 14 86 FFr	150	92⅜	93⅜	+0⅛	+1	16.89
Acona 14 85 £	20	91⅜	92⅜	0	+0⅛	17.01
Beneficial 14⅛ 90 £	20	84⅝	85⅝	0	0	17.63
BNP 13½ 91 £	15	85⅜	86⅜	−0⅛	+1⅛	16.57
CECA 13½ 88 £	20	89	90	−0⅛	−0⅛	16.12
Citicorp O/S 13½ 90 £	50	89⅜	90⅜	−0⅛	+0⅛	15.72
Fin. Ex. Cred. 13⅛ 86 £	15	90⅜	91⅜	−0⅛	+0⅛	16.85
Gen. Elec. Co. 12½ 89 £	50	85⅜	86⅜	−0⅛	+0⅛	15.88
Hiram Walker 14⅛ 86 £	25	93⅜	94⅜	−0⅛	+0⅛	16.20
Privatbanken 14½ 88 £	12	89⅜	90⅜	0	−0⅛	17.21
J. Rothschild 14⅛ 90 £	12	92⅞	93⅞	0	+0⅛	16.65
Royal Trustco 14 86 £	12	93½	94½	0	+0⅛	16.11
Swed. Ex. Cr. 13⅛ 86 £	20	92	93	0	+0⅛	16.37
Akzo 9¾ 87 LuxFr	500	87⅛	88⅛	0	+1⅛	12.23
Euratom 9¾ 88 LuxFr ...	500	87⅛	88⅛	0	0	12.82
Eurofima 10⅛ 87 LuxFr	500	92⅜	93⅜	0	0	12.28
EIB 9¾ 88 LuxFr	600	89⅜	90⅜	0	+0⅛	12.24
Volvo 9¾ 87 LuxFr	500	87⅜	88⅜	0	+1⅛	12.82

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Bank of Montreal 5¼ 90	0¼	98⅞	99⅜	18/6	14⅛	14.34
Bank of Montreal 5¼ 91	0¼	99⅛	99⅝	29/4	17.06	17.15
Bank of Tokyo 5¼ 91 ...	0¼	98⅞	99⅜	10/6	13⅛	18.30
Bk. Nova Scotia 5¼ 93	0¼	98⅞	99⅜	29/4	17.06	17.13
BBL Int. 5 88	0¼	99⅛	99⅝	20/6	13½	13.57
BFCE 5¼ 88	0¼	99½	100	26/4	16.94	16.98
BFCE 5¼ 87	0¼	99½	100	27/7	15⅛	16.29
Christiania Bk. 5½ 91...	‡0¼	99	99½	5/5	16	16.12
Co-Ben Eurofin 5½ 91...	0¼	98½	99	14/4	16.69	16.90
Den Norske Cred. 5½ 93	0¼	97⅞	97⅞	4/6	13.56	13.89
Genfinance 5¼ 92	0¼	99⅛	98⅞	30/6	15⅛	15.68
Giro und Bank 5¼ 91 ...	‡0¼	99⅛	99⅜	23/3	14.06	14.15
GZB 5¼ 92	‡0¼	98⅞	99⅜	5/3	13⅛	13.24
Ind. Bank Japan 5¼ 88	0¼	98⅛	98⅝	6/5	13.31	13.46
Lloyds Eurofin 5¼ 93 ...	§0¼	98⅝	99⅛	29/4	17.18	17.18
LTCB Japan 5¼ 89	0¼	99	99½	18/7	15.31	16.43
Midland Int. Fin. 8 91	0¼	99⅝	100⅛	30/4	17.06	17.08
Nacional Fin. 5½ 88 ...	0¼	†97⅛	97⅝	25/3	17.31	17.78
Nat. Bk. Canada 5¼ 88	0¼	99½	100	24/3	17.31	17.36
Nat. West. Fin. 5¼ 91...	§0¼	99	99½	16/7	15.18	15.30
Nat. West. Fin. 5¼ 92...	§0¼	99½	100	23/4	17	17.04
Nordic Int. Fin. 5¼ 91...	0¼	98⅛	98⅝	6/5	16⅛	16.80
Offshore Mining 5¼ 91	0¼	98⅛	98½	2/6	18	13.21
Pemex 8 91	0¼	97⅛	97⅝	8/4	17	17.48
PKbanken 5 91	0¼	98⅞	99⅜	17/8	14⅛	14.54
Sanwa Int. Fin. 5¼ 86...	0¼	†99½	100	24/3	17¼	17.29
Scotland Int. 5¼ 92......	0¼	98⅛	98⅝	23/3	13.94	14.15
Sec. Pacific 5¼ 91	0¼	98⅜	98⅞	24/5	13⅛	13.43
Societe Generale 5¼ 91	0¼	99	99½	22/7	15⅛	15.37
Standard Chart. 5¼ 91	0¼	97⅞	98⅜	18/5	13.31	13.67
Sumitomo Fin. 5½ 88...	0¼	99	99½	9/8	16	16.12

Average price changes... On day 0 on week −0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5¼ 96	7/81	933	94½	95½	−2	3.52
Bow Valley Inv. 8 95 ...	4/81	23.12	95½	97	+0⅛	49.49
Canon 6¾ 95	1/81	829	105⅞	107⅞	−1⅞	4.52
Daiwa Secs. 5½ 96	12/81	513.3	†72	74	−1	−3.18
Fujitsu Fanuc 4½ 96 ...	10/81	6770	108⅛	109⅛	−0½	8.70
Furukawa Elec. 5⅛ 96...	7/81	300	115½	116½	−5½	−7.21
Hanson O/S Fin. 9½ 96	8/81	2.74	†89	90	0	92.09
Hitachi Cable 5¼ 96......	2/82	515	101⅜	102⅝	−2	−2.23
Hitachi Cred. Cpn. 5 96	7/81	1773	†80	82	−2½	8.23
Inchcape 8 95	2/81	4.55	†64	65½	+0⅛	13.41
Kawasaki 5¼ 96	9/81	229	†75	76½	−1⅛	5.87
Marui 8 96	7/81	981	101½	102⅞	−1⅛	10.78
Matsushita El. 7½ 95 ...	11/80	590	†86	88½	−0⅛	4.12
Minolta Camera 5 95 ...	10/81	909	70	71½	−0⅛	12.42
Minorco 9¼ 97	5/82	6.16	95	95⅝	0	7.44
Murata 5¼ 96	7/81	2190	†73½	75	−2½	18.64
NKK 0⅛ 96	7/81	188	†89½	91	−2⅛	−6.23
Nippon Chemi-C. 5 91...	10/81	918	72	74	0	4.81
Nippon Electric 5¼ 97...	2/82	846	†100⅜	101½	−2⅛	−0.33
Orient Finance 5¼ 97 ...	3/82	1567	†89½	91	−2⅛	4.12
Sanyo Electric 5 96......	10/81	652	76½	78	−1⅛	7.89
Sumitomo Met. 5¼ 96...	10/81	305	†76	77½	−1½	5.21
Swiss Bk. Cpn. 6⅛ 90...	9/80	191	†72	74	0	19.58
Taylor Woodrow 8¾ 90	1/81	4.94	†85	86	0	−4.78
Konishiroku 6 90 DM ...	2/82	595	102⅝	103⅝	−1½	−2.35
Mitsubishi H. 6 89 DM	2/82	263	99⅛	100⅛	−0⅛	3.44

EUROBOND TURNOVER (nominal value in $m)

	Cedel	Euro-clear
U.S. $ bonds		
Last week......	6,501.3	11,367.6
Previous week	4,546.3	7,045.6
Other bonds		
Last week......	760.0	441.8
Previous week	945.9	690.6

* No information available—previous day's price.

† Only one market maker supplied a price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

CONVERTIBLE BONDS: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Kredietbank NV; Credit Commercial de France; Credit Lyonnais; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Generale du Luxembourg SA; Banque Internationale Luxembourg; Kredietbank Luxembourg; Algemene Bank Nederland NV; Pierson, Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzerland; Akroyd and Smithers; Bankers Trust International; Credit Commercial de France (Securities) London; Citicorp International Bank; Daiwa Europe NV; Deltec Securities (UK); EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Kidder Peabody International; Manufacturers Hanover; Merrill Lynch; Morgan Stanley International; Nikko Securities Company (Europe); Orion Royal Bank; Salomon Brothers International; Samuel Montagu and Co.; Scandinavian Bank; Societe Generale Strauss Turnbull; Sumitomo Finance International; S. G. Warburg and Co.; Wood Gundy.

Closing prices on February 12

هكتبة الجمل

No person receiving a copy of this Offer for Sale and/or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation to him, nor should he in any event use such Application Form unless in the relevant territory such an invitation could lawfully be made to him or such Form could lawfully be used without compliance with any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application hereunder to satisfy himself as to full observance of the laws of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required and observing any other formalities needing to be observed in such territory.

This Offer for Sale includes particulars given in compliance with the Regulations of the Council of The Stock Exchange for the purpose of giving information with regard to Amersham International public limited company ("Amersham" or "the Company"). The directors of Amersham have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or of opinion. All the directors accept responsibility accordingly. Application has been made to the Council of The Stock Exchange for the Ordinary shares of Amersham, issued and now being issued, to be admitted to the Official List. Copies of this Offer for Sale, together with the documents specified herein, have been delivered to the Registrar of Companies for registration.

Amersham International

public limited company

Offer for Sale

by

N.M.Rothschild & Sons Limited and Morgan Grenfell & Co. Limited

of up to

50,000,000 Ordinary shares of 25p each at 142p per share of which 44,860,000 Ordinary shares are owned by

The Secretary of State for Energy

The Ordinary shares now offered for sale rank in full for all dividends hereafter declared or paid on the Ordinary share capital of Amersham. The Application List will open at 10 a.m. on Thursday, 18th February, 1982 and may be closed at any time thereafter. The procedure for application is set out at the end of this Offer for Sale.

Key Information

The following information is derived from, and should be read in conjunction with, the full text of the Offer for Sale.

Nature of Business

Amersham is engaged in the development, manufacture and sale of radioactive materials for use in medicine, research and industry.

Trading Record

Amersham's consolidated results, taken from the Accountants' Report, are summarised below:

	Turnover £'000	Profit before taxation £'000
Years ended 31st March,		
1977	21,483	4,897
1978	32,722	6,656
1979	37,825	6,014
1980	41,576	4,011
1981	48,531	4,079
Six months ended 30th September, 1981	30,345	3,867

Forecasts for the Year Ending 31st March, 1982

Profit before taxation	£8.3 million
Profit before taxation, restated as if the shares now being issued for cash had been issued on 1st April, 1981	£9.0 million
Earnings attributable to Ordinary shareholders (actual tax)	£5.5 million
Restated earnings attributable to Ordinary shareholders (actual tax)	£6.2 million
Restated earnings per share (actual tax)	12.4p
Restated earnings per share (after notional full tax charge)	7.5p
Aggregate dividends per share (excluding the associated tax credit)	3.5p
Cover for forecast dividends based on restated earnings per share (full tax)	2.1 times

Offer for Sale Statistics at Offer Price

Offer price	142p
Market capitalisation	£71 million
Adjusted net tangible assets	£34.8 million
Price/earnings multiple based on the restated forecast earnings per share for the year ending 31st March, 1982:	
after actual tax charge (12.4p per share)	11.5 times
after notional full tax charge (7.5p per share)	18.9 times
Gross dividend yield on the basis of forecast gross dividends of 5p (including the associated tax credit at the current rate) for the year ending 31st March, 1982	3.5 per cent.

Share Capital

Authorised		Issued and now being issued fully paid
£15,000,000	in 60,000,000 Ordinary shares of 25p each	£12,500,000
£1	in one Special Rights Preference share of £1	£1

The rights attaching to the Special Rights Preference share, which is being retained by the Secretary of State for Energy, are designed to protect the status of Amersham as an independent company. A general description of these rights is given in the section entitled The Offer for Sale. They are more fully summarised in paragraph 3(b) of Statutory and General Information below.

Borrowings

Save for the items disclosed in paragraph 2 of Statutory and General Information, which, including capitalised leases, amounted to approximately £13.5 million, and save for intra-Group indebtedness, neither Amersham nor any of its subsidiaries had outstanding at 15th January, 1982 any loan capital issued (or created but unissued), other borrowings or indebtedness in the nature of borrowing, or liabilities under acceptances (other than in respect of normal trade bills) or acceptance credits, hire purchase commitments or guarantees or other material contingent liabilities.

Directors

Chairman
Sir John McGregor Hill PhD, FRS, FInstP, FInstEn
Dominic House, Sudbrook Lane, Petersham, Richmond, Surrey

Group Managing Director and Chief Executive
Joseph Stuart Burgess PhD, FRSC
20 Amersham Hill Gardens, High Wycombe, Buckinghamshire

Deputy Managing Director
Charles Charlton Evans PhD
Windyridge, 34 Stubbs Wood, Chesham Bois, Buckinghamshire

Director of Finance
William Harry Ellaby FCA, 1 Pines Close, Amersham, Buckinghamshire

Director of Commercial Operations
Alistair Matthew Hamilton BSc, FPS
Oak Gables, 11 Beechwood Road, Beaconsfield, Buckinghamshire

Director of United Kingdom Operations
Jeremy Stevenson BSc, FRSC
67 Willow Crescent West, Willowbank, Uxbridge, Middlesex

Non-executive Directors
Arnold Millman Allen CBE
Duntish Cottage, Duntish, Dorchester, Dorset

Cecil Miles Beddow FCA
Flat 8, One Princes Gate, London SW7

Derek Hair Pringle CBE, PhD, FInstP, FRSE
Lochinver House, 75 Trinity Road, Edinburgh

Secretary and Registered Office
Alan Youd, White Lion Road, Amersham, Buckinghamshire HP7 9LL

Merchant Bank advising the Secretary of State for Energy
N. M. Rothschild & Sons Limited, New Court, St. Swithin's Lane, London EC4

Merchant Bank advising Amersham
Morgan Grenfell & Co. Limited, 23 Great Winchester Street, London EC2

Stockbrokers
Cazenove & Co., 12 Tokenhouse Yard, London EC2 and The Stock Exchange

Solicitors to Amersham
Linklaters & Paines, Barrington House, 59-67 Gresham Street, London EC2

Solicitors to the Offer for Sale
Slaughter and May, 35 Basinghall Street, London EC2

Auditors and Reporting Accountants
Coopers & Lybrand, *Chartered Accountants*, Abacus House, Gutter Lane, Cheapside, London EC2

Principal Bankers
Lloyds Bank Plc, 8 Sycamore Road, Amersham, Buckinghamshire
and
Northern Trust Company, 38 Lombard Street, London EC3

Registrars and Transfer Office
Lloyds Bank Plc, Registrar's Department, Goring-by-Sea, Worthing, West Sussex

Receiving Bankers
National Westminster Bank PLC, New Issues Department, PO Box No. 79, Drapers Gardens, 12 Throgmorton Avenue, London EC2P 2BD

Introduction

Amersham is a high technology company with many years' experience of using radioactive materials to manufacture a wide range of specialist products for use in hospitals, research laboratories and industry worldwide. Amersham's reputation rests on the quality of its products and customer service and on its ability to deliver these products to the user swiftly, reliably and safely wherever he may be. Amersham currently supplies over 2,500 different radioactive products to growing markets and is one of the leading manufacturers in its field. It has received The Queen's Award for Export Achievement three times, most recently in 1979. The turnover of Amersham and its subsidiaries ("the Group") in the year ended 31st March, 1981 was £48.5 million, over 80 per cent. of which was overseas. The Group employs more than 2,000 people, of whom over 500 work for the overseas subsidiaries.

History

Amersham's business has its origins in a small laboratory at Amersham, Buckinghamshire, which was established in 1940 to refine radium for the manufacture of self-luminous paints used in navigational and other instruments. In 1946 it came into public ownership. Since that time it has operated as a commercial enterprise providing radioactive products for an increasing range of applications in medicine, scientific research and industry. From 1954 it formed part of the operations of the United Kingdom Atomic Energy Authority ("UKAEA"). By the Atomic Energy Authority Act 1971 the business was transferred to the Company, which was formed for the purpose under the name of The Radiochemical Centre Limited and was wholly owned by the UKAEA. The Company changed its name to Amersham International Limited in May 1981 and in February 1982 was re-registered as a public limited company. In this document the name "Amersham" is also used to refer to the Company's business before the transfer in 1971.

The Group's commercial history since 1946 has involved continual expansion of its product range, customer service and geographical coverage in pursuit of market opportunities. In the 25 years from 1956 to the year ended 31st March, 1981 annual sales have grown from £0.3 million to £48.5 million. This growth has been supported by an expansion of the Group's production facilities and its overseas distribution network.

By the early 1970s, demand for the Group's products had grown to such an extent that the board could foresee the expansion of production facilities at the Company's Amersham site being restricted by lack of space and the shortage of suitable staff in the locality. As a result, the development of a major additional production facility was undertaken at Cardiff. This commenced full-scale production towards the end of 1980.

Prior to 1968, when exports had already risen to over 50 per cent. of turnover, Amersham relied on local distributors and agents overseas. By 1968, however, sales in North America had increased to a point where stronger representation was required. In that year a United States company, Amersham/Searle Corporation, was set up in conjunction with the pharmaceutical company, G. D. Searle & Co. Inc., to market Amersham's products in the United States, Canada, and Central and South America. Amersham initially held 50 per cent. of the new company. In January 1977 Amersham purchased the other shares in Amersham/Searle Corporation, which was subsequently renamed Amersham Corporation.

In 1971, continued growth in sales to the Federal Republic of Germany led Amersham to set up a subsidiary in the country also, Amersham Buchler GmbH & Co. KG ("Amersham Buchler"), in conjunction with Buchler & Co., which had been Amersham's distributor there since 1961. Amersham owns 60 per cent. of Amersham Buchler.

In the last ten years, Amersham has continued its policy of obtaining more direct control of overseas marketing and distribution by forming subsidiaries to take over the activities of distributors in the more important export markets. In addition to its United States and German operations, the Group now operates directly in France, Belgium, the Netherlands, Australia and, most recently, Japan.

The Offer for Sale

The Atomic Energy (Miscellaneous Provisions) Act 1981, which received the royal assent in July 1981, confers on HM Government the power to dispose of the whole of the share capital of Amersham. In October 1981, in preparation for the Offer for Sale, the entire share capital was transferred from the UKAEA into the direct ownership of HM Government. On 22nd December, 1981 HM Government announced their intention to offer Amersham's equity share capital to the public by means of an Offer for Sale in order that it might develop as an independent company with a wide spread of ownership by members of the public.

HM Government are now disposing of the whole of the Ordinary share capital of Amersham. This Offer for Sale includes all the Ordinary shares which HM Government will own following the capitalisation issue referred to below (other than shares being made available to employees under the arrangements referred to in paragraph 7 of Statutory and General Information) together with new Ordinary shares to be issued for cash by Amersham to N. M. Rothschild & Sons Limited and Morgan Grenfell & Co. Limited.

In support of HM Government's expressed desire for the continuing independence of Amersham, the Articles of Association contain provisions which are designed to prevent any one person or connected group from having an interest in 15 per cent. or more of the voting share capital in issue. The capital of Amersham includes one Special Rights Preference share of £1 ("Special share") which, following the Offer for Sale, HM Government will retain. The rights attaching to the Special share will ensure that the ability of voting shareholders to vary such provisions, should they so wish, will be subject to the consent of HM Government as the holder of the Special share. The Special share may only be held by or on behalf of a Minister of the Crown and is redeemable at par at HM Government's option on or after 31st March, 1988. The Special share confers no general right to vote at meetings of shareholders nor any right to appoint directors, since it is not HM Government's wish to influence the conduct of Amersham's business. Further details of the provisions of the Articles of Association and of the rights attaching to the Special share are set out in paragraph 3 of Statutory and General Information.

Five per cent. of Amersham's issued Ordinary share capital following the Offer for Sale, being 2,500,000 shares, is reserved for employees. Of this number a maximum of 272,125 Ordinary shares will be offered free for the benefit of employees by HM Government under the special arrangements described in paragraph 7 of Statutory and General Information. The balance, together with any shares in respect of which such offers are not accepted, will be reserved for application by employees. Any reserved shares not taken up by employees will be available for public applications.

In relation to the sale of publicly owned assets by HM Government, the Labour Party Conference in October 1979 passed a resolution which called upon the Parliamentary Labour Party "to declare that any activities hived off will be taken into public ownership by the next Labour Government without compensation".

Business

Scientific background

The atomic nucleus of any chemical element consists of neutrons and protons, the number of protons determining the chemical properties of the element. Most elements exist in two or more forms depending on the number of neutrons in their nuclear structure, whilst remaining identical in their chemical properties. Such variants are known as isotopes. Only a relatively small number of the possible combinations of neutrons and protons are stable. Those that are not stable undergo spontaneous transformation, accompanied by the emission of nuclear particles and other radiation at rates which decline over time. These are known as radioactive isotopes or radioisotopes.

There exists a number of industrial and medical applications, such as radiotherapy, which are based on the specific properties of the radiation associated with particular radioisotopes. However, the importance of radioisotopes to Amersham's business lies in the fact that they behave chemically in the same way as the corresponding stable isotopes but, due to their radioactivity, are detectable by appropriate instruments, such as gamma cameras or scintillation counters. Consequently a substance incorporating the appropriate radioisotopes may undergo both physical and chemical changes yet remain detectable and identifiable. This gives rise to a wide range of uses for radioisotopes in carrying out chemical research and medical diagnosis.

The rate of radioactive decay and the properties of the emitted radiation are factors unique to each radioisotope with considerable variations between radioisotopes. Great selectivity is therefore necessary in order to make full commercial use of radioactivity. Although a few radioisotopes are obtainable from natural sources, most have to be manufactured artificially by irradiating appropriate substances with nuclear particles in, for example, a nuclear reactor or a cyclotron.

Products

Amersham's products are used to diagnose and treat disease, to advance man's knowledge of living systems and as key components in a wide range of industrial processes and control systems. During the six months ended 30th September, 1981 the proportion of turnover (which was broadly in line with the proportions experienced during the preceding two years) attributable to each of these three main categories, medical, research and industrial, was as follows:

	%
Medical products	49
Research products	34
Industrial products	17
	100

As most of Amersham's research products are for the use of researchers in medicine and related sciences, over 75 per cent. of turnover is of products used either directly or indirectly in the field of health care.

Medical products

Amersham's medical products are used primarily in diagnosis and are divided between radiopharmaceuticals and clinical reagents. Amersham also supplies materials for use in radiotherapy, in which the patient receives radiation treatment, normally for malignant diseases.

Radiopharmaceuticals

Amersham manufactures radiopharmaceuticals which are used in the *in vivo* diagnostic procedure known as nuclear imaging. They are given to the patient by mouth or injection. The distribution of the radioisotopes within the patient's body may then be monitored by means of a gamma camera enabling physiological measurement of the flow and volume of body fluids and the detection of abnormalities in various organs. Nuclear imaging produces scans which can make the diagnosis of certain diseases more efficient and complete than other procedures.

Radioisotopes for use in *in vivo* diagnosis must be weak in terms of the radiation amitted and must clear the body quickly. One of the few isotopes to meet these criteria is technetium-99m. Radiopharmaceuticals based on this isotope offer valuable diagnostic information for bone, liver and lung investigations. Other important radiopharmaceutical products include thallium-201 and iodinated fibrinogen; Amersham supplies both in vials ready for intravenous injection, the former for the diagnosis of heart disease and the latter for the detection of post-operative thrombosis.

Because of their rapid rate of radioactive decay many of these products have a useful life measured only in days. This means thet great importance is attached to the speed and efficiency of the Group's distribution system.

Amersham International continued

Clinical reagents
The clinical reagents manufactured by Amersham are used in *in vitro* diagnosis. This is a rapidly expanding area of application for radioisotopes in medical diagnosis and involves no administration of radioactivity to the patient. Instead, samples of body fluids are examined in the laboratory by radioimmunoassay, a clinical technique which offers extremely high sensitivity and selectivity through the combined use of radioactivity and immunological reactions. Using this procedure it is possible to measure in only one drop of a patient's blood components, such as protein hormones, present in minute amounts, and to do so routinely, quickly and accurately.

Amersham markets some thirty diagnostic kits based on this principle. In obstetrics and gynaecology they are used for obtaining biochemical data on which the treatment of infertility is based, for determining foetal status and for identifying high risk pregnancies. They are used for the assessment of thyroid status, as controls in the management of long term thyroid disorders, for classifying common anaemias and for regulating the drug regime in epilepsy and diabetes.

Research products
Amersham manufactures a wide range of products for the use of researchers in medicine, biochemistry, agriculture and the physical sciences. For the most part these are in the form of "labelled compounds", which are chemicals, such as amino acids, in which radioactive atoms have been substituted for non-radioactive atoms. These can then be used as tracers in the study of complex reactions and biological processes. Their use has yielded considerable information to scientists about the metabolism of living cells and the genetic materials which they contain. They are essential and widely used tools in research in the general field of molecular biology.

The four main isotopes involved are carbon-14, tritium (radioactive hydrogen), sulphur-35 and phosphorus-32. Amersham believes that it is the world's leading supplier of sulphur-35 methionine, a labelled amino acid which is considered an essential tool in increasing understanding and knowledge of protein synthesis and the precise functions of different proteins in cells. Its development of a new range of phosphorus-32 products, offering higher radioactive concentrations whilst retaining the high quality, biological activity and stability of earlier products, has enabled Amersham to consolidate its position as a leading supplier of radiochemicals for molecular biology.

Amersham maintains a supply of over 1,500 labelled compounds and in addition offers its customers a preparation service providing research chemicals tailored to their specific requirements. Amersham is independent of any of the major pharmaceutical companies and is, therefore, well placed to provide a confidential service to customers in that industry for the assessment of the properties and effects of new drugs.

Success in these markets, which have continually changing technical requirements, depends on creating close links with the research community. Amersham is widely recognised by biological scientists as a technical leader in this field and is respected for its high standards of quality and service.

Industrial products
Amersham currently has over 600 specialised products used as radiation sources in industry. These contain radioisotopes in forms from which the required radiation is emitted while the radioactive material itself remains securely fixed and resistant to mechanical or chemical damage. The form that the source takes depends on many factors including the type and energy of radiation required as well as the purpose of the equipment for which the source is intended.

Radioisotopes are used in industrial gauges for measuring the thickness of sheet materials and coatings, in smoke detectors, in devices for eliminating static electricity, for weld analysis and for a wide range of applications in process control. The comparatively long life of the products means that here, as distinct from Amersham's other markets, the frequency of replacement buying is low.

Product development
Amersham's future depends on maintaining a flow of new products to meet the changing needs of its customers, particularly in the fields of health care and scientific research where the pace of change is greatest. Group policy is to invest in product innovation and process improvement at a level (currently over 7 per cent. of its sales revenue) which is designed to enable it to retain and enhance its market position. Most of the Group's research work is carried out at Amersham and out of the total of 157 employees engaged full time on research and development, 91 are graduates and, of those, 57 hold post-graduate qualifications. These are mostly chemists and biochemists but include a number of other specialists such as physicists and metallurgists.

The main developments in the medical field have been in response to the major new market for diagnostic kits based on radioimmunoassay techniques. Amersham launched the world's first commercial radioimmunoassay kit in 1965. Since 1965, the development of new and improved kits has continued and this business has grown to such an extent that these products currently contribute almost one third of total Group sales. In the five years ended 31st March, 1981, 21 new or improved radioimmunoassay kits were launched. At the same time, work on radiopharmaceuticals for *in vivo* diagnosis has continued, the main recent development being the successful production of thallium-201 using Amersham's cyclotron.

In the field of research products much of the work is aimed at extending the product range (during the year ended 31st March, 1981 70 new products were added to the research chemicals catalogue) and improving product specifications. Full use is made of up to date methods of analysis and chemical separation procedures such as high performance liquid chromatography. The current emphasis is on products, both radioactive and non-radioactive, for applications in molecular biology, including recombinant DNA work.

Development work on industrial products is concentrated on improving processing techniques and product specifications.

Future developments will continue to rely on the maintenance of a close association and continual dialogue between the Group's staff and users in the forefront of research and on good market intelligence, clear product definition and an efficient development system. Amersham recognises that many new technologies, such as monoclonal antibody production, recombinant DNA and non-radioactive methods of immunoassay, are likely to assume a growing importance in the Group's fields of interest. An increasing proportion of the Group's growing research expenditure is being committed to the exploration of these new areas of technology in order that they can be fully exploited within the context of the Group's business.

The strength of Amersham resides in its ability to develop a flow of up to date products rather than in a proprietorial position based on the existence of patents. At present, few of Amersham's products are fully protected by patents and less than 10 per cent. of the Group's sales are of products with some patented features or the subject of patent applications. However, it is Group policy to take out patents where this is appropriate to protect major products or groups of products and since 1971 the Company has applied for patents in the United Kingdom and major countries overseas for upwards of 50 inventions concerning new products and applications. The Group is now entering fields where there is considerable patenting activity and, as a result, patents and licensing by and to the Company are becoming increasingly relevant.

Marketing and distribution
Amersham's business requires a high level of technical service and attention to the particular needs of its customers in different geographical and product markets. Sales promotion is carried out for the most part through personal contact by Group representatives or those employed by Amersham's overseas distributors.

Amersham is long established as the leading supplier in its product fields in the United Kingdom. However, the markets for its products are international and the Group trades actively overseas. In each of the four years ended 31st March, 1981 over 80 per cent. of Group turnover was outside the United Kingdom. The Group is not dependent on any individual customer for a significant proportion of its overall sales.

The percentage of turnover by geographical area in the six months to 30th September, 1981 was as follows:

	%
North America	27
United Kingdom and Republic of Ireland	17
Federal Republic of Germany	15
Other Western European countries	17
Japan	9
Rest of the World	15
	100

The table above is indicative of the relative importance of each geographical area to the Group's turnover, although the precise proportions vary between trading periods.

The Group's most important markets abroad are those in North America and the Federal Republic of Germany, where Amersham's principal overseas subsidiaries, Amersham Corporation and Amersham Buchler, are situated. These employ nearly 50 per cent. of the Group's worldwide marketing and sales staff. Sales to Japan, though smaller, are growing rapidly and in 1981 Amersham Japan Limited was established to market the Group's research and industrial products in that country. In addition, Amersham has overseas marketing subsidiaries in France, Belgium, the Netherlands and Australia and a network of some 40 distributors and agents in other countries.

Most of the Group's customers require products to be supplied at short notice and, as a result, there is a very short order book. Each day up to 1,500 orders are received in the United Kingdom for destinations in many different parts of the world. In addition many of Amersham's products have a useful life measured in weeks or days, so that the ability to hold stocks is limited. Production facilities are, therefore, capable of manufacturing relatively small quantities at short notice and distribution facilities have to be organised to ensure that such products can be delivered to customers, wherever they may be in the world, in the shortest possible time. Amersham's facilities are designed to meet these customer service requirements and are sited with ready access to motorways and airports to permit rapid delivery.

Production
Amersham's principal production facilities are located in the United Kingdom. The major sites are at Amersham and Cardiff with smaller operations at Gloucester and in premises owned by the UKAEA at Harwell. Some production is undertaken locally in the United States and in the Federal Republic of Germany.

The main site at Amersham is used for the manufacture of radiopharmaceuticals, industrial products and the short-lived labelled compounds which form part of the Group's range of research products. Many of the radioisotopes used within the Group are produced in the UKAEA's nuclear reactors at Harwell, where the Company maintains a small staff to control the arrangements for irradiation. Further details concerning the Company's use of facilities at Harwell appear in paragraph 9 of Statutory and General Information. In addition, the Company has its own cyclotron facilities at Amersham, which produce a range of radioisotopes for the production of which nuclear reactors are not suitable. The first cyclotron became operational in 1966. An additional cyclotron is currently being installed and is planned to come into operation in 1982. It will have a much larger production capacity than the existing cyclotron. The Company also purchases some radioisotopes from other sources.

The Company's new purpose-built facilities at Cardiff, adjoining the M4 motorway across north of the city, have been developed at a capital cost of over £20 million. All production of clinical reagents and long-lived labelled compounds has now been transferred to this site, although the radioactive material for use in the preparation of these products comes from Amersham. Space exists at Cardiff for the development of additional facilities to accommodate further increases in production. Additional warehouse expansion is planned but the existing facilities there have adequate production capacity in the medium term.

At Gloucester a small staff is engaged in the production of non-radioactive components for use in clinical reagents and diagnostic kits. The production carried out by Amersham's subsidiaries in the United States and the Federal Republic of Germany consists mostly of finishing products manufactured in the United Kingdom but also includes some manufacture to meet local needs.

Amersham uses sole suppliers for some of its principal raw materials. However, alternative sources of supply are available, although they are in some cases limited given the specialised nature of many of these materials.

Statutory regulation and insurance arrangements
Amersham is required to comply with a number of detailed statutory provisions and regulations, by virtue of the nature of its business, as well as those of general application to industrial and commercial enterprises.

In the United Kingdom, these deal, amongst other things, with the processing, packaging and transport of radioactive substances (including controls on imports and exports), the construction, operation and licensing of its installations, the protection and safety of its work force and the general public, the storage and disposal of radioactive materials and waste, and strict public liability in respect of certain incidents involving radioactivity. In addition, other statutory provisions and regulations dealing with testing, licensing, manufacturing practices and certain other aspects relating to pharmaceutical products and drugs apply to the sector of Amersham's business concerned with health care.

Similar regulations and requirements apply in many of Amersham's overseas markets. There are a number of international bodies and national agencies overseas which supervise the regulatory aspects of the conduct of its affairs.

The Nuclear Installations Act 1965 prohibits persons from using any site in the United Kingdom for the processing or storage of nuclear matter unless an appropriate licence has been obtained. The Company currently holds four such licences in respect of its premises at Harwell, Amersham and Cardiff. These licences can be revoked at any time by the Health and Safety Executive but the Company is not aware of any circumstances which might cause any of its licences to be revoked. Nuclear sites are subject to frequent inspection by the Nuclear Installations Inspectorate of the Health and Safety Executive and the Company regularly carries out work to ensure that it continues to comply with the relevant regulations.

The Nuclear Installations Act also provides that any person suffering injury or damage as a result of occurrences involving radioactivity, in respect of which strict liability is imposed on licensees of nuclear sites, has, subject to certain conditions and exclusions, a statutory right to compensation. Liability of the licensee is generally limited to an aggregate of £5,000,000, excluding interest and costs, per site for each period throughout which a licence is in force. Licensees are obliged to cover their liability under these provisions by insurance or some other means approved by HM Government and this is achieved by Amersham mainly through insurance. In view of these arrangements and the conventional insurance cover which it maintains, Amersham considers that, subject to no major changes in foreign statutes, international treaties and regulatory standards or United Kingdom legislation, it carries satisfactory insurance cover for all major risks, including product liability, which would normally be expected to be the subject of insurance in an undertaking of its nature.

Directors, Management and Employees

Directors
Sir John Hill, aged 60, has been non-executive chairman since January 1975. He was chairman of the UKAEA from 1967 to February 1981 and has been chairman of British Nuclear Fuels Limited since 1971.

Dr. J. S. Burgess, aged 52, is group managing director and chief executive, having been appointed to this position in 1979. He joined Amersham in 1953 working as a development and production chemist and later became the marketing controller. He was appointed to the board in 1973. For two years between 1975 and 1977 he was president of Amersham Corporation. From 1977 to 1979 he was group marketing controller.

Dr. C. C. Evans, aged 63, is deputy managing director. He has served with Amersham for 33 years. He spent three years with Amersham/Searle Corporation from 1968 and was appointed a director of the Company in 1971 and to his present position in 1972.

Mr. W. H. Ellaby, aged 46, is director of finance. He joined Amersham in 1970 as financial controller and became a director in 1973.

Mr. A. M. Hamilton, aged 53, is director of commercial operations. He joined Amersham in January 1980 from Bestobell Limited, where he was an executive director. He was appointed to the board in October 1980.

Mr. J. Stevenson, aged 53, is director of United Kingdom operations. He has served with Amersham for 31 years. In 1974 he became general manager of the Amersham site. He was appointed to his present position in 1979.

Mr. A. M. Allen, aged 57, is a non-executive director. He is deputy chairman of the UKAEA and was appointed to the board of the Company in 1971.

Mr. C. M. Beddow, aged 61, is a non-executive director. He is chairman of London & Midland Industrials PLC and a non-executive director of several other public companies. He was appointed to the board of the Company in 1973.

Dr. D. H. Pringle, aged 56, is a non-executive director. He is chairman and managing director of Scientific & Electronic Enterprises Limited, a company which he founded in 1960. He was appointed to the board of the Company in 1978.

Management
The group managing director is advised by an executive committee comprising the executive directors and the following five senior members of management:

Mr. J. L. Castello, aged 45, is President of Amersham Corporation and a United States citizen. He joined the Group in 1977 from Abbott Laboratories where he had extensive experience in marketing and production, his last position being that of general manager, Abbott Scientific Products Division.

Dr. J. C. Charlton, aged 57, is technical development controller. He has served with Amersham for 30 years and was appointed to his present position in 1978.

Mr. D. Kitchen, aged 41, is personnel controller. He spent 10 years with HAY MSL Limited before joining Amersham in 1980.

Dr. J. C. Maynard, aged 49, is general manager, Cardiff. He has served with Amersham for 25 years and was appointed to his present position in 1977.

Mr. A. Youd, aged 56, is company secretary. Before joining Amersham in 1963, he worked at the UKAEA in staff and labour management, corporate planning and general administration.

Employees
At 31st December, 1981 the Group's employees numbered 2,049. They can be classified as follows:

	Production, development and support	Marketing and sales	Finance, personnel and administration	Total
United Kingdom	1,077	170	284	1,531
North America	111	110	32	253
Federal Republic of Germany	84	74	22	180
Other countries	11	50	24	85
	1,283	404	362	2,049

The nature of Amersham's business requires a high level of qualification in its staff. About one third of those employed in the United Kingdom possess at least one university degree.

Approximately 85 per cent. of employees in the United Kingdom are members of a trade union. The great majority belong to Civil Service staff associations, the rest to the Transport and General Workers Union or the Amalgamated Union of Engineering Workers, all of which are recognised by Amersham. The Company has an excellent record of industrial relations.

Amersham has instituted a Share Participation Scheme and a Save-as-you-Earn Share Option Scheme for eligible United Kingdom employees. Details of these schemes are contained in paragraph 8 of Statutory and General Information. It is intended to offer the first options under the Share Option Scheme shortly. Shares will be made available by HM Government for the benefit of employees under the Share Participation Scheme at the time of the Offer for Sale under the special arrangements set out in paragraph 7 of Statutory and General Information, but it is not intended that Amersham should make available any part of its profits for the acquisition of shares under this Scheme until 1983 at the earliest.

Pensions
Almost all present United Kingdom employees are contributory members of the superannuation schemes of the UKAEA. Retirement benefits consist primarily of pensions which are based on one eightieth of pensionable final earnings for each year of service, and are then index-linked to maintain their purchasing power, together with lump sum retirement grants based on three eightieths of pensionable final earnings for each year of service. Members are contracted out of the earnings-related part of the State pension scheme.

Contributions are paid to and benefits are paid by HM Government through the UKAEA. The scheme accounts are credited with a return based upon a notional portfolio of index-linked and other British Government and local authority securities.

Amersham is liable to make contributions to the schemes as required by the UKAEA on the advice of the Government Actuary. In accordance with his recommendations the contributions for the year ending 31st March, 1983 are expected to be at an average rate of 10.6 per cent. of estimated pensionable earnings, which is not significantly different from the rate for the current year. About £400,000, which is some 30 per cent. of the Company's contributions for the year ending 31st March, 1983, will be required towards the amortisation of uncovered past service liabilities over the period to 31st March, 2002. R. Watson & Sons, Consulting Actuaries, estimate that, as at the dates of the latest valuations of the two principal schemes by the Government Actuary (March 1979 and March 1980 respectively), there were deficiencies on a discontinuance basis in respect of Amersham amounting to £3.4 million and £0.2 million, the degree of asset cover being 66 per cent. and 78 per cent. respectively. R. Watson & Sons are of the opinion that the recommended levels of contribution are appropriate.

Amersham staff offered employment after 2nd December, 1981 now join a new, funded Company pension scheme. This provides a pension for each year of service based on one sixtieth of final pensionable salary, which is final basic salary less a deduction in respect of basic State benefits. Pensions in course of payment will be increased to a limited extent to offset the effects of inflation. The maximum level of increase for which provision is made under the rules is 7 per cent. per annum but further increases may be made at the discretion of the Trustees subject to the availability of resources within the scheme. Members of the scheme are contracted out of the earnings-related part of the State pension scheme. R. Watson & Sons have advised that they expect the percentage rate of contribution payable by the Company to the new scheme to be broadly equivalent to the rates currently being paid to the UKAEA schemes.

R. Watson & Sons are of the opinion that the provisions made for pensions for overseas employees of the Group are on bases consistent with those normally prevailing in the relevant countries of employment.

Proceeds of the Issue, Net Assets and Working Capital
As part of the Offer for Sale, Amersham is issuing 5,140,000 Ordinary shares for cash at the offer price, thus raising £7.3 million gross. Of this amount, £1.6 million is being applied in repaying HM Government loans at par, and the net proceeds, after this application and after deducting those expenses of the Offer for Sale which are payable by Amersham, will amount to approximately £5 million. The purpose of the issue is to increase the resources available to the Group generally which, apart from normal working capital requirements, are being used in a continuing programme of improving the facilities used by the Group. Although there are no major capital expenditure projects presently planned, other than a new headquarters building to be constructed over the next two years, there is a regular requirement for investment in new plant and equipment to support the growth of the business. Total capital expenditure in the current financial year will amount to approximately £5 million and the directors expect expenditure to be at about £7 million in each of the next two financial years.

The net assets attributable to the shareholders of Amersham, based on the consolidated historical cost accounts at 30th September, 1981, adjusted to take account of the proceeds of the issue referred to above, amount to £34.8 million.

The directors of Amersham are satisfied that, taking into account the net proceeds of the issue and available bank facilities, the Group has sufficient working capital for its present requirements.

Past Profits
The following table, based on the Accountants' Report, summarises the results of Amersham and its subsidiaries on the historical cost basis for the five years ended 31st March, 1981 and the six months ended 30th September, 1981.

	Years ended 31st March,					6 months ended 30th September
	1977	1978	1979	1980	1981	1981
	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	21,483	32,722	37,825	41,576	48,531	30,345
Trading profit before interest (see note)	4,873	6,747	6,264	4,908	6,307	4,575
Relocation costs	—	—	—	—	(488)	—
Interest	24	(91)	(250)	(897)	(1,740)	(708)
Profit before taxation	4,897	6,656	6,014	4,011	4,079	3,867
Taxation	1,547	2,094	(391)	1,234	1,412	983
Profit after taxation	3,350	4,562	6,405	2,777	2,667	2,884
Minority interests	390	519	688	516	491	308
Profit attributable to shareholders of the Company	2,960	4,043	5,717	2,261	2,176	2,576

Note: The trading profit before interest for the year ended 31st March, 1977 includes the Group's share of the results of Amersham Corporation as an associated company up to the time of its becoming a subsidiary in January 1977.

Turnover expressed in sterling terms has increased over the five and a half year period shown in the above table at an average compound rate of approximately 20 per cent. per annum. This growth reflects a sustained increase in volume estimated at over 10 per cent. per annum. Sales both in the United Kingdom and overseas have increased notwithstanding the strength of sterling over much of this period and the increasing competition experienced by the Group.

It is a feature of the Group's business that while approximately three-quarters of its costs are incurred in the United Kingdom and are susceptible to United Kingdom inflation, 80 per cent. of Group sales are made overseas. As a result when sterling strengthens, particularly against the United States dollar, the Group's margins tend to be reduced. Conversely, margins tend to increase when sterling weakens.

Amersham sells in overseas markets mainly in competition with local or United States based suppliers and, in the period under review, it has not been able to increase its prices to the extent necessary to compensate fully for the rise in United Kingdom costs. This, coupled with the strengthening of sterling, caused a reduction in trading profit margins particularly in the years ended 31st March, 1980 and 1981.

The record shown by the table has also been affected by the writing off as incurred of pre-production expenditure in connection with the development of the new plant at Cardiff. Substantial pre-production expenditure was incurred in the four years ended 31st March, 1981, particularly in the two years ended 31st March, 1981, in each of which such expenditure was of the order of £1 million; this was in addition to the relocation costs shown in the table above. Almost all of the interest payable was incurred as a direct result of increased borrowings which formed part of the finance for the development at Cardiff, a further part of the finance being provided by an issue in 1977 of new Ordinary shares which raised £5 million.

From the year ended 31st March, 1980 onwards, the taxation charge shown in the above table relates principally to tax payable overseas and advance corporation tax in the United Kingdom. As is explained in the Accountants' Report, the reason for the taxation credit in the year ended 31st March, 1979 was that substantial capital allowances, which could not be used against the taxable profit of that year, gave rise to repayments of tax paid in previous years. Tax on profits after 30th September, 1981 will be reduced by up to approximately £2.2 million (assuming the continuance of the current corporation tax rate) arising from tax losses. In addition the Company has unrelieved advance corporation tax of approximately £1.6 million.

The current cost accounts included in the Accountants' Report show proportionately smaller current cost operating adjustments than those of many other manufacturing companies. The principal reasons for this are the Group's relatively low level of stocks compared with turnover and the fact that a large proportion of the Group's fixed assets has been acquired in recent years.

Current Trading and Profit Forecasts
The profit before taxation for the six months ended 30th September, 1981, amounting to £3,867,000, reflected particularly the recent weakening of sterling and also the fuller use of the new production facilities at Cardiff. The improvement in results experienced in the first half of the current year is continuing, with activity at a high level. On the bases and assumptions set out in Profit Forecasts: Assumptions and Letters below, the directors forecast that, in the absence of unforeseen circumstances, the Group's profit on the historical cost basis for the year ending 31st March, 1982 will be not less than £8.3 million before taxation and not less than £5.5 million after taxation and minority interests.

Tha directors estimate that, if the Group had had the benefit throughout the year of the funds being raised by the issue for cash of additional share capital (net of expenses and the HM Government loan repayments) and had earned interest at 14 per cent. per annum on this sum, the Group's restated profit on the historical cost basis for the year ending 31st March, 1982 would be not less than £9.0 million before taxation and not less than £6.2 million after taxation and minority interests.

On the basis of the number of Ordinary shares which will be in issue following the Offer for Sale, this restated forecast profit represents earnings of 12.4p per share, giving a price/earnings multiple of 11.5 at the offer price. If a notional full tax charge is applied, the resulting earnings per share would be 7.5p, giving a price/earnings multiple of 18.9 at the offer price.

The directors expect that the current cost accounting adjustments to the Group's profit for the year ending 31st March, 1982 will be of broadly the same amount as the adjustments made in respect of the previous year.

Dividends
The Company has already paid interim dividends to HM Government in respect of the current year which are equivalent to dividends of 1.4p per Ordinary share.

On the basis of the profit forecasts set out above, the directors expect, in the absence of unforeseen circumstances, to recommend a final dividend in respect of the current year of 2.1p per Ordinary share payable in August 1982. Together with the interim dividends, this would represent an aggregate payment of 3.5p per Ordinary share which is equivalent, together with the associated tax credit at the current rate, to 5p gross per Ordinary share.

This level of dividends, together with the associated tax credit, would give a gross dividend yield of approximately 3.5 per cent. at the offer price and would be covered 2.1 times by the restated forecast earnings per share on a notional full tax basis.

It is expected that in future years interim and final dividends will normally be payable in January and August respectively.

Prospects
As previously stated, the combination of over 80 per cent. of sales being made overseas with the bulk of the costs being incurred in the United Kingdom means that Amersham's profits are affected significantly by movements in the sterling exchange rate. The directors estimate that, given the current level of overseas sales, if sterling was weaker or stronger for a full year by 5 per cent. in relation to the currencies of the countries which constitute the Group's main export markets, the Group's trading profit would be respectively higher or lower by approximately 10 per cent.

Over 75 per cent. of the Group's business is related to health care, either directly in the case of medical products or indirectly through the supply of research products. These two markets are expected to grow faster than that for industrial products and the Group's business in this last sector, although continuing to grow at a modest rate, will become a decreasing proportion of the total.

The directors believe that new applications for radioactive products in medical diagnosis will continue to be identified for at least the next ten years. At the same time, an increasing proportion of the present clinical reagent market is likely to be served by immunoassay techniques using other methods of detection than radioactivity. The Company plans to respond fully to both these opportunities because continuing success in medical diagnostics is essential to the achievement of Amersham's growth objectives. The Group will invest an increased share of its revenue in the development of both radioactive and non-radioactive products and in new technologies.

Labelled compounds are expected to remain an essential tool for the research biochemist and the Company believes that the demand for its research products will continue to grow at present rates for some years. In addition, new trends in biotechnology are creating a market for related non-radioactive specialised chemicals which the Company plans to provide as part of its service to the research user.

Although spread worldwide, the Group's sales are concentrated in the more technically advanced countries. Among these, the United States and Japan offer special opportunities. The Group's market shares are lower there than in other major markets. Despite keen competition, Amersham plans to improve its position in both these markets while remaining one of the leading suppliers to Europe and the rest of the world.

Amersham is a specialised high technology company operating close to the frontiers of knowledge in medicine and biochemistry. The directors believe that Amersham is well placed to recognise and respond to new scientific developments as they occur and that its prospects for growth are good.

Amersham International continued

Accountants' Report

The following is a copy of a report received from Coopers & Lybrand, the Company's auditors and reporting accountants.

The directors
Amersham International public limited company
The Secretary of State for Energy
N. M. Rothschild & Sons Limited
Morgan Grenfell & Co. Limited

London
10th February, 1982

Dear Sirs

We have examined the audited accounts of Amersham International public limited company ("the Company") and its subsidiaries (together referred to as "the Group") for each of the five years ended 31st March, 1981 and for the six months ended 30th September, 1981. Audited accounts of the Group have not been prepared in respect of any subsequent period.

We have acted as auditors of the Group for the whole of the period referred to above.

The financial information set out in this report is based on the accounts referred to above, after making such adjustments as we consider necessary.

In our opinion, the financial information set out below under Historical Cost Accounts gives a true and fair view of the profits and source and application of funds of the Group for the five years ended 31st March, 1981 and the six months ended 30th September, 1981 and of the state of affairs of the Company and the Group at 30th September, 1981, according to the historical cost accounting convention as explained in the Accounting Policies.

In our opinion, the supplementary current cost information set out below under Current Cost Accounts for the two years ended 31st March, 1981 and the six months ended 30th September, 1981 has been properly prepared, in accordance with the policies and methods described thereunder, to give the information required by Statement of Standard Accounting Practice No. 16 ("SSAP 16").

Historical Cost Accounts

Accounting policies

The significant accounting policies adopted by the Group are as follows:

Accounting convention
The financial information has been prepared in accordance with the historical cost convention with the exception of certain fixed assets which are stated at a valuation.

Basis of consolidation
The consolidated accounts comprise the results of the Company and all of its subsidiaries. Goodwill arising on consolidation is written off against reserves.

Foreign currencies
The accounts of the overseas subsidiaries are translated into sterling at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening share capital and reserves of such companies are dealt with through reserves; exchange differences on other items are dealt with in arriving at profit.

Research and development expenditure
Research and development expenditure is written off as it is incurred.

Pre-production expenditure
Pre-production expenditure, including interest, relating to the new laboratories at Cardiff has been written off as it has been incurred.

Fixed assets
Depreciation is calculated by the straight line method, from the beginning of the half year following that in which the assets are first brought into use, at the following annual rates:

Land	Nil
Permanent buildings	The majority at 2.5 per cent. (prior to 1979/80—5 per cent.)
Plant and equipment and temporary buildings	At varying rates calculated to write off the asset over its expected useful life. The majority is depreciated at 10 per cent.

Investment grants, which include regional development grants in the United Kingdom, have been treated as deferred credits and are released to profit at the same rate as the depreciation charge.

Plant and equipment costing under £500 and repairs and renewals are written off as the expenditure is incurred.

Leased assets
Leased assets are accounted for in accordance with the proposed Statement of Standard Accounting Practice "Accounting for Leases and Hire Purchase Contracts" ("ED 29"). Accordingly, assets acquired under finance leases as defined by ED 29 and the related capital element of rental obligations are included in the balance sheet. The interest element is charged against profit in proportion to the reducing capital element outstanding. The assets are depreciated over the shorter of the lease terms and the useful lives of the assets.

Stocks
Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in, first out basis, and includes all direct expenditure and, in the case of manufactured items, production overheads based on the normal level of business activity. Net realisable value is the price at which the stocks can be realised in the normal course of business after allowing for the costs of realisation and, where appropriate, the costs of conversion. Provision is made for obsolescence and slow moving stocks and for radioactive decay.

Taxation
Taxation charged against profits is calculated at the appropriate local rate of tax for each company. Provision is made for deferred taxation (using the liability method) except to the extent that such taxation is not expected to become payable within the foreseeable future. No such provisions have been required in the period under review.

Pensions
Pension arrangements within the Group have been separately established by each company. Except for the German subsidiary, which provides internally for future pensions, Group pensions are externally funded. Actuarial valuations are made regularly and contributions are adjusted as appropriate. In the case of the schemes administered by the United Kingdom Atomic Energy Authority ("UKAEA"), uncovered past service liabilities are being amortised and charged against profit over the period to 31st March, 2002.

Profit and Loss Accounts

The consolidated profit and loss accounts of the Group for the five years ended 31st March, 1981 and the six months ended 30th September, 1981 are set out below:

Note		Years ended 31st March, 1977	1978	1979	1980	1981	6 months ended 30th September, 1981
		£'000	£'000	£'000	£'000	£'000	£'000
(a)	Turnover	21,483	32,722	37,825	41,576	48,531	30,345
(b)	Cost of sales	17,084	25,975	31,561	36,668	42,224	25,770
	Trading profit	4,399	6,747	6,264	4,908	6,307	4,575
(c)	Relocation costs	—	—	—	—	(488)	—
(d)	Interest	24	(91)	(250)	(897)	(1,740)	(708)
(e)	Share of profit of associated company	474	—	—	—	—	—
	Profit before taxation	4,897	6,656	6,014	4,011	4,079	3,867
(f)	Taxation	1,547	2,094	(391)	1,234	1,412	983
	Profit after taxation	3,350	4,562	6,405	2,777	2,667	2,884
	Minority interests	390	519	688	516	491	308
	Profit attributable to shareholders of the Company	2,960	4,043	5,717	2,261	2,176	2,576
(g)	Dividends	129	719	752	752	752	627
	Profit retained	2,831	3,324	4,965	1,509	1,424	1,949

Movements on Reserves

The movements on reserves of the Group are set out below:

	Years ended 31st March, 1977	1978	1979	1980	1981	6 months ended 30th September, 1981
	£'000	£'000	£'000	£'000	£'000	£'000
Reserves at beginning of period	5,478	8,901	12,059	16,579	17,779	18,802
Profit retained for the period	2,831	3,324	4,965	1,509	1,424	1,949
Goodwill written off	(261)	—	(79)	—	(82)	—
Exchange difference on translation of opening share capital and reserves of overseas subsidiaries	147	(166)	(366)	(309)	(319)	1,138
Revaluation of assets	706	—	—	—	—	—
Reserves at end of period	8,901	12,059	16,579	17,779	18,802	21,889

Notes

(a) Turnover Turnover, which excludes sales between Group companies, consists of sales at invoiced value net of discounts, returns and value added tax.

(b) Cost of sales Cost of sales includes the following items:

	Years ended 31st March, 1977	1978	1979	1980	1981	6 months ended 30th September, 1981
	£'000	£'000	£'000	£'000	£'000	£'000
Depreciation (net of release from investment grants): owned assets	544	1,118	1,104	1,084	1,451	916
assets on finance leases	—	—	—	—	105	113
Hire of equipment (excluding finance leases)	128	202	306	368	392	284

(c) Relocation costs This amount represents the costs of relocating staff from Amersham to Cardiff.

(d) Interest The net income/(charge) for interest is made up as follows:

	Years ended 31st March, 1977	1978	1979	1980	1981	6 months ended 30th September, 1981
	£'000	£'000	£'000	£'000	£'000	£'000
Interest receivable	186	164	117	234	121	131
Interest payable: on loans and bank overdrafts	(162)	(255)	(367)	(1,131)	(1,826)	(749)
in respect of lease finance	—	—	—	—	(35)	(90)
	24	(91)	(250)	(897)	(1,740)	(708)

(e) Share of profit of associated company This amount represents the Group's share of the results of Amersham Corporation up to the time of its becoming a subsidiary in January 1977.

(f) Taxation The taxation charge, which is based on the profit for the periods, comprises:

	Years ended 31st March, 1977	1978	1979	1980	1981	6 months ended 30th September, 1981
	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom: Corporation tax at 52 per cent. (see below)	851	1,001	(1,875)	—	(3)	—
Advance corporation tax	—	303	408	322	322	269
Adjustment of prior years: on sale and leaseback of assets acquired in 1979	—	—	—	—	229	—
other	(95)	(4)	—	(123)	—	—
Overseas: Tax charge for period	555	899	1,092	988	839	714
Adjustment of prior years	—	(105)	(16)	47	25	—
Associated company	236	—	—	—	—	—
	1,547	2,094	(391)	1,234	1,412	983

Amount by which the taxation charge for the periods has been reduced by:	1977	1978	1979	1980	1981	6 months 1981
accelerated capital allowances and short term timing differences	874	1,213	3,748	3,307	563	681
stock appreciation relief (this ceased to be a timing difference after 31st March, 1980)	—	350	489	283	136	71
tax losses	—	—	(247)	(2,797)	94	746

During the year ended 31st March, 1979, substantial capital allowances, which could not be utilised against the profits of that year, gave rise to recoveries of previous years' tax liabilities of £1,898,000 shown as follows and these represent the reason for the United Kingdom tax credit of £1,875,000 shown above for 1979.

	£'000
Years ended 31st March, 1976	363
1977	772
1978	763
	1,898

The taxation charge for the six months ended 30th September, 1981 is estimated on the basis that the period represented a full period for taxation purposes.

(g) Overseas interests Profits arising in overseas subsidiaries are summarised in note (l) to the balance sheet.

(h) Dividends The dividends expressed as a percentage of the paid up Ordinary share capital are set out below:

Years ended 31st March, 1977	4%
1978	22%
1979	12%
1980	12%
1981	12%
Interim dividends for the year ending 31st March, 1982 (shown in the profit and loss account for the six months ended 30th September, 1981)	10%

(i) Earnings per share The capital structure of the Company during the period makes it impracticable to present comparable earnings per share data.

Source and Application of Funds

The source and application of funds of the Group for the five years ended 31st March, 1981 and the six months ended 30th September, 1981 are set out below:

	Years ended 31st March, 1977	1978	1979	1980	1981	6 months ended 30th September, 1981
	£'000	£'000	£'000	£'000	£'000	£'000
Source of Funds						
Profit before taxation	4,897	6,656	6,014	4,011	4,079	3,867
Adjustments for items not involving the movement of funds:						
Depreciation	544	1,118	1,104	1,084	1,556	1,029
Other	15	(50)	(47)	(219)	(36)	107
Total Generated from Operations	5,456	7,724	7,071	4,876	5,599	5,003
Funds from other Sources						
Increases in loans	1,333	—	3,054	290	6,496	—
New lease finance	—	—	—	—	2,643	—
Proceeds from share issue	2,000	—	3,000	—	—	—
Investment grants	405	720	1,333	1,046	253	533
Sale of fixed assets:						
Assets leased back	—	—	—	—	1,553	—
Other assets	—	—	73	546	551	94
	9,194	8,444	14,531	6,758	17,095	5,630
Application of Funds						
Goodwill	261	—	79	—	82	—
Dividends paid to shareholders of the Company	55	260	851	740	651	—
Profits withdrawn by minority interests	176	307	579	560	546	105
Tax paid/(recovered)—net	502	1,979	2,040	(187)	1,370	805
Fixed assets	4,907	4,217	10,319	9,628	5,310	2,297
Leased assets	—	—	—	—	2,643	—
Repayment of loans	127	654	253	348	398	2,832
Reduction of lease finance	—	—	—	—	243	213
Investments	(618)	—	—	—	—	—
	5,450	7,417	14,121	11,389	11,243	6,252
Increase/(Decrease) in Working Capital	3,744	1,027	410	(4,631)	5,852	(622)
Made up as follows:						
Stocks	777	1,312	728	583	494	(222)
Debtors	2,568	1,493	1,435	1,411	1,095	2,074
Creditors	(625)	(1,467)	(1,489)	(1,742)	(1,084)	(863)
	2,720	1,338	674	252	505	989
Movement in net liquid funds:						
Bank and cash balances	576	(1,019)	(107)	(65)	(27)	353
Short term deposits	456	1,117	514	(1,053)	1,645	(1,338)
Short term loans	(8)	(409)	(671)	(3,765)	3,729	(626)
	1,024	(311)	(264)	(4,883)	5,347	(1,611)
	3,744	1,027	410	(4,631)	5,852	(622)

Effects of acquisition of subsidiary in 1977

Net assets acquired:	£'000
Fixed assets	2,048
Goodwill	261
Other assets (net)	37
	2,344
Less existing investment	639
Cash paid	1,705

Balance Sheets

Balance sheets of the Company and the Group at 30th September, 1981 are set out below:

Note		The Company £'000	The Group £'000
	Employment of Capital		
(a)	Fixed Assets	28,188	34,269
(b)	Leased Assets	2,425	2,425
(c)	Subsidiaries	4,472	—
		35,085	36,694
(d)	Current Assets		
	Stocks	5,482	6,458
	Debtors	7,257	12,508
	Short term deposits	—	1,889
	Bank and cash balances	13	661
		12,752	21,516
	Current Liabilities		
	Creditors	7,188	9,395
(e)	Loans and overdrafts	1,123	1,893
	Lease finance	479	479
	Dividends	1,229	1,229
(f)	Taxation	756	1,238
		10,755	14,234
	Net Current Assets	1,997	7,282
		37,082	43,976
	Capital Employed		
(g)	Share Capital	6,267	6,267
(h)	Reserves	17,899	21,889
		24,166	28,156
	Minority Interests	—	913
(e)	Loans	7,485	8,621
(i)	Lease Finance	1,708	1,708
	Investment Grants	3,723	4,036
(k)	Deferred Liability for Pensions	—	342
		37,082	43,976

Notes

(a) Fixed assets The fixed assets were made up as follows:

	Cost or valuation £'000	Aggregate depreciation £'000	Net book value £'000
Owned by the Company			
Land and buildings	12,253	2,296	9,957
Plant and equipment	20,545	4,066	16,479
Construction in progress	1,752	—	1,752
	34,550	6,362	28,188
Owned by subsidiaries			
Land and buildings	5,159	940	4,219
Plant and equipment	4,102	2,240	1,862
	9,261	3,180	6,081
	43,811	9,542	34,269

Cost or valuation figures represent cost to the Group, except for assets of a subsidiary which are included at a valuation of £1,701,000 based on an independent professional valuation in 1977.

The rates of depreciation applied in past years have resulted in fixed assets with a gross book value of approximately £1,400,000 being written down to a nominal amount although they are still in use.

(b) Leased assets The leased assets for both the Company and Group were plant and equipment, made up as follows:

	£'000
Capitalised amount	2,643
Depreciation	216
Net book value	2,425

(c) Subsidiaries The net investment by the Company in its subsidiaries is made up as follows:

	£'000
Shares at cost less amounts written off	3,087
Amounts due to the Company	2,280
	5,367
Less: Loan to this Company by a subsidiary	895
	4,472

Details of the principal subsidiaries are set out in note (l) below.

(d) Stocks Stocks comprise:

	The Company £'000	The Group £'000
Raw materials	2,048	2,484
Work in progress	1,947	2,001
Finished goods	1,487	1,973
	5,482	6,458

(e) Loans and overdrafts The bank loans and overdrafts and other borrowings of the Company and Group were repayable as follows within periods from 30th September, 1981 of:

	The Company £'000	The Group £'000
One year or less, or on demand	1,123	1,893
Between one and two years	134	439
Between two and five years	6,402	7,433
In excess of five years	949	949
	8,608	10,714

No material amounts of these loans and overdrafts are secured.
£1,619,000 of the Company's loans, included in the above table as being repayable in equal annual instalments until 1993, is to be repaid to HM Government under arrangements described in the Offer for Sale dated 10th February, 1982.

(f) Taxation The tax liabilities have been estimated on the basis explained in note (f) to the profit and loss accounts.
The full potential liability for deferred taxation at 30th September, 1981, for which no provision is required, is estimated as follows:

	The Company £'000	The Group £'000
Excess of tax allowances on investment in buildings and plant over depreciation charged	11,482	11,868
Short term timing differences	(229)	(229)
Stock appreciation relief	(2,204)	(2,204)
Unrelieved advance corporation tax	(1,593)	(1,593)
	7,456	7,842

No provision has been made for any taxation which would become payable on the distribution of retained profits of overseas subsidiaries.

(g) Share capital The share capital at 30th September, 1981 comprised:
Authorised: 6,500,000 Ordinary shares of £1 each.
Issued and fully paid: 6,266,783 Ordinary shares of £1 each.

(h) Reserves The Group's reserves included the following amounts in respect of which there were restrictions on distribution:

	£'000
Unrealised revaluation surplus of the United States subsidiary	407
Reserves of the German subsidiary not legally available for distribution	295
	702

(i) Lease finance The future minimum finance lease payments to which the Company and the Group were committed at 30th September, 1981 are as follows:

	£'000
Six months ending 31st March, 1982	336
Years ending 31st March, 1983	550
1984	550
1985	550
1986	271
Subsequent to 31st March, 1986	542
	2,799
Less interest element	612
	2,187

(j) Capital commitments Capital commitments at 30th September, 1981 were as follows:

	The Company £'000	The Group £'000
Contracted but not provided for	756	1,094
Authorised but not contracted	299	621
	1,055	1,715

(k) Pensions The latest actuarial valuations of the two principal pension schemes administered by the UKAEA took place as at 31st March, 1978 and 31st March, 1980 respectively. R. Watson & Sons, Consulting Actuaries, have estimated that as at these dates there were deficiencies in the schemes on a discontinuance basis in respect of the Company amounting to £3.4m and £0.2m respectively. Under arrangements with the UKAEA, uncovered past service liabilities are being funded over the period to 31st March, 2002 (thereby extinguishing the discontinuance deficiencies) by annual contributions which are expected to amount to some £400,000 in the year ending 31st March, 1983, which sum does not involve a significant increase in the Company's total contributions as compared with those for the current year.
The deferred liability for pensions shown in the balance sheet of the Group represents the estimated value of pension obligations of the German subsidiary.

(l) Principal subsidiaries The following table shows the principal trading subsidiaries of the Company, which owns directly or indirectly all the share capital except where indicated:

Marketing of United Kingdom manufactured products and local manufacturing and finishing operations	Country and year of registration or incorporation	Share capital issued and fully paid
Amersham Corporation	United States 1968	US$5,000
Amersham Buchler GmbH & Co.KG (60%)	Federal Republic of Germany, 1971	DM 2,000,000

Amersham Buchler GmbH & Co. KG is a partnership, in which the Company's interest is in limited liability form. The capital shown is the balance on the partners' capital account.

Marketing of United Kingdom manufactured products		
Amersham Australia Pty Limited	Australia 1977	A$200,000
Amersham Nederland BV	The Netherlands 1980	Fl400,000
Amersham Belgium SA	Belgium 1980	BF7,000,000
Amersham France SA	France 1978	FF2,500,000
Amersham Japan Limited (90%)	Japan 1981	Y90,000,000

The contribution to Group profit before taxation and minority interests in the year ended 31st March, 1981 and the six months ended 30th September, 1981, and the contribution to Group net assets before minority interests as at 30th September, 1981, of the overseas subsidiaries are as follows:

	Profit before taxation and minority interests: Year ended 31st March, 1981	6 months ended 30th September, 1981	Net assets at 30th September, 1981
	£'000	£'000	£'000
United States	474	460	4,370
Federal Republic of Germany	1,494	919	2,298
Other overseas subsidiaries	48	(128)	648
	2,016	1,281	7,316

Current Cost Accounts

Profit and loss accounts

The consolidated current cost profit and loss accounts and movements on reserves for the two years ended 31st March, 1981 and the six months ended 30th September, 1981 are set out below:

	Year ended 31st March, 1980	Year ended 31st March, 1981	6 months ended 30th September, 1981
	£'000	£'000	£'000
Turnover	41,576	48,531	30,345
Operating profit on the historical cost basis	4,908	5,819	4,575
Current cost operating adjustments	1,210	1,581	588
Current cost operating profit	3,698	4,238	3,987
Gearing adjustment	209	401	167
Interest	(897)	(1,740)	(708)
Current cost profit before taxation	3,010	2,899	3,446
Taxation	1,234	1,412	983
Current cost profit after taxation	1,776	1,487	2,463
Minority interests	512	472	289
Current cost profit attributable to shareholders of the Company	1,264	1,015	2,174
Dividends	752	752	627
Transfer to reserves	512	263	1,547
Current cost reserve			
Opening balance	10,106	13,667	18,462
Revaluation surpluses reflecting price changes	4,444	5,522	745
Monetary working capital adjustment	(367)	(7)	(185)
Gearing adjustment	(209)	(401)	(167)
Exchange difference on translation of opening share capital and reserves of subsidiaries	(309)	(319)	1,138
Closing balance	13,667	18,462	19,993
Other reserves			
Opening balance	14,594	15,106	15,287
Transfer from profit and loss account	512	263	1,547
Goodwill written off	—	(82)	—
Closing balance	15,106	15,287	16,834

Current cost balance sheet

The consolidated current cost balance sheet of the Group as at 30th September, 1981, is set out below:

	£'000
Fixed and Leased Assets	52,031
Net Current Assets	
Stocks	6,851
Monetary working capital (net)	3,717
Dividends	(1,229)
Other current liabilities (net)	(1,663)
	7,676
	59,707
Share Capital	6,267
Reserves	
Current cost reserve	19,993
Other reserves	16,834
	43,094
Minority Interests	992
Loans and Lease Finance	10,529
Investment Grants	4,760
Deferred Liability for Pensions	342
	59,707

Notes

(a) Accounting policies The current cost accounts, which are in summarised form, have been prepared by reference to current cost principles in conformity with SSAP 16. Except where adjusted to comply with SSAP 16, the accounting policies used in preparing the historical cost accounts have been adopted in the current cost accounts. Policies specific to the current cost accounts are set out below.

Fixed and leased assets
The gross current replacement cost of fixed and leased assets and the depreciation adjustment have been calculated using indices as follows:
Plant and buildings: appropriate indices issued by the Government statistical services, and equivalent overseas services.
Land: indices appropriate to industrial properties.

Cost of sales and monetary working capital adjustments
The cost of sales and monetary working capital adjustments are based on records of changing prices maintained by the Company or appropriate indices issued by Government statistical services. Monetary working capital consists of trade debtors and trade creditors.

Gearing adjustment
The gearing adjustment is based on the average gearing during the year, calculated on a Group basis.

(b) Current cost operating adjustments

	Year ended 31st March, 1980	Year ended 31st March, 1981	6 months ended 30th September, 1981
	£'000	£'000	£'000
Working capital:			
Cost of sales	781	795	359
Monetary working capital	(367)	(7)	(185)
Fixed assets:			
Depreciation	796	793	414
	1,210	1,581	588

(c) Fixed and leased assets The net book value of fixed and leased assets comprises:

	Land and buildings	Plant and equipment	Total
	£'000	£'000	£'000
Current replacement cost	38,013	41,841	79,854
Less: Accumulated depreciation	13,542	14,281	27,823
	24,471	27,560	52,031

(d) Financing of net operating assets

	30th September, 1981 £'000
Borrowings comprise:	
Loans and lease finance	10,529
Other current liabilities (net)	1,663
Deferred liability for pensions	342
	12,534
Net operating assets comprise:	
Fixed and leased assets (net of investment grants)	47,271
Stocks	6,851
Monetary working capital (net)	3,717
	57,839

Yours truly
Coopers & Lybrand
Chartered Accountants

Profit Forecasts: Assumptions and Letters

Bases and principal assumptions relating to the profit forecasts

The profit forecast and restated profit forecast for the year ending 31st March, 1982, which appear under Current Trading and Profit Forecasts above, are based on audited accounts for the six months ended 30th September, 1981, unaudited management accounts for the three months ended 31st December, 1981 and estimates and forecasts for the remainder of the year.

In so far as they relate to periods subsequent to 15th January, 1982, the forecasts have been prepared using foreign currency exchange rates ruling at that date. To the extent that foreign currency has not already been sold forward, changes in the exchange rates would affect particularly:

(i) the translation, by reference to exchange rates ruling at 31st March, 1982, of the results of overseas subsidiaries for the whole year and substantial amounts estimated to be receivable by the Company in overseas currencies as at that date; and

(ii) the sterling proceeds of foreign currency sales received between 15th January, 1982 and 31st March, 1982.

As a broad indication of sensitivity to these factors, it is estimated that, if sterling were 5 per cent. weaker or stronger throughout the period from 15th January, 1982 in comparison with the exchange rates then ruling, the forecast profit before taxation for the year might be higher or lower by an amount of the order of £400,000.

The following are the other principal assumptions which have been used in preparing the forecasts:

(a) there will be no unexpected change in the year end stock provisions for radioactive decay and other technical factors;

(b) there will be no significant interruptions to production due to such factors as plant failure or interruption to the supply of key materials;

(c) worldwide distribution of products will not be affected by industrial disputes or adverse weather conditions, especially those affecting air transport; and

(d) there will be no adverse consequences of any fiscal or other governmental action, in particular as regards product licensing and nuclear regulatory arrangements in the United Kingdom or other principal markets.

Any expenses of the Offer for Sale which are payable by Amersham and which are not written off against share premium account will be treated as an extraordinary item and have not been taken into account in the forecasts.

Letters

The following are copies of letters to the directors of the Company relating to the profit forecast and the restated forecast for the year ending 31st March, 1982.

Letter from Coopers & Lybrand

The directors
Amersham International public limited company

London
10th February, 1982

Dear Sirs

The profit forecast and the restated profit forecast of Amersham International public limited company and its subsidiaries ("the Group") for which you as directors are solely responsible, as set out under the section entitled Current Trading and Profit Forecasts in the Offer for Sale dated 10th February, 1982, are based on audited accounts for the six months ended 30th September, 1981, unaudited management accounts for the three months ended 31st December, 1981 and estimates and forecasts for the three months to 31st March, 1982.

We have reviewed the accounting policies and calculations adopted in arriving at the profit forecasts. In our opinion, the profit forecasts, so far as the accounting policies and calculations are concerned, have been properly compiled on the basis of the assumptions made by the directors set out in the Offer for Sale and are presented on bases consistent with the accounting policies normally adopted by the Group.

Yours truly
Coopers & Lybrand
Chartered Accountants

Letter from N.M. Rothschild & Sons Limited and Morgan Grenfell & Co. Limited

The directors
Amersham International public limited company

London
10th February, 1982

Dear Sirs

We refer to the directors' profit forecast and the restated profit forecast in respect of the year ending 31st March, 1982 set out in the Offer for Sale dated 10th February, 1982. We have discussed these forecasts and the bases on which they are made with directors of your Company.

We have also considered the letter addressed to yourselves from Coopers & Lybrand regarding the accounting bases and calculations for the forecasts.

On the assumptions used by you and relying on the accounting bases and calculations reviewed by Coopers & Lybrand we have formed the opinion that the forecasts of consolidated profit before taxation and profit after taxation and minority interests for the year ending 31st March, 1982 (for which you as directors are solely responsible) have been made after due and careful enquiry.

Yours very truly
For N.M. Rothschild & Sons Limited
M. J. de R. Richardson
Director

Yours faithfully
For Morgan Grenfell & Co. Limited
R. H. K. Seelig
Director

Amersham International continued

Statutory and General Information

1. The Company

Amersham was incorporated in England on 16th February, 1971 under the Companies Acts 1948 to 1967 as a private company limited by shares. Its registered number is 1002610.

The authorised share capital on incorporation was £100 consisting of 100 shares of £1 each. On 10th February, 1980 it comprised 6,500,000 Ordinary shares of £1 each, of which 6,266,783 had been issued and were fully paid.

By or pursuant to special resolutions of Amersham passed on 10th February, 1982:

(a) each of the existing Ordinary shares of the Company was sub-divided into four Ordinary shares of 25p each;

(b) the authorised share capital of the Company was increased to £15,000,001 by the creation of 34,000,000 new Ordinary shares of 25p each and one new Special Rights Preference share of £1;

(c) the Company was re-registered as a public company under Section 5 of the Companies Act 1980, altered its Memorandum of Association and adopted new Articles of Association; and

(d) subject to the Offer for Sale Agreement referred to in paragraph 6 below becoming unconditional and not being terminated pursuant to the terms thereof:

(i) 5,140,000 new Ordinary shares were provisionally allotted to N. M. Rothschild & Sons Limited and Morgan Grenfell & Co. Limited for cash at the offer price;

(ii) subject to the Company receiving the subscription moneys for the new Ordinary shares provisionally allotted as mentioned in (i) above, 19,792,868 new Ordinary shares and the Special Rights Preference share were allotted to the Secretary of State for Energy credited as fully paid as to part by way of capitalisation of part of the Company's share premium account thereby created and as to the balance by way of capitalisation of part of the amount standing to the credit of the Company's reserves;

(iii) the directors were generally and unconditionally authorised, pursuant to Section 14 of the Companies Act 1980, to allot relevant securities (as defined in the said Section 14), consisting of or related to Ordinary shares up to an aggregate nominal value of £2,500,000, such authority to expire on 9th February, 1987 unless previously revoked or varied by the Company in general meeting; and

(iv) the directors were given power to allot equity securities (as defined in Section 17 of the Companies Act 1980) pursuant to the authority referred to in (iii) above as if Section 17(1) of the said Act did not apply to the allotment provided that such power is limited:

(1) to the allotment of equity securities in connection with a rights issue in favour of the holders of Ordinary shares where the equity securities attributable to each such holder are proportionate to the number of Ordinary shares held by such holder but subject to such exclusions as the directors may deem fit to deal with fractional entitlements, or problems arising in any overseas territory; and

(2) to the allotment (otherwise than pursuant to sub-paragraph (1) above) of equity securities consisting of or relating to Ordinary shares up to an aggregate nominal value of £750,000, the authority conferred by this sub-paragraph (2) to expire at the conclusion of the first annual general meeting to be held after 1982 at which it is not renewed by ordinary resolution.

On 16th June, 1981 Amersham Japan Limited was established. It has an issued share capital of Y90 million, of which Y9 million was subscribed at par by Bokusui Brown Company Limited, formerly one of Amersham's Japanese distributors. The balance of Y81 million was subscribed at par by Amersham.

Save as disclosed in this Offer for Sale:

(a) no share or loan capital of Amersham or, save for issues within the Group, of any of its subsidiaries has since 10th February, 1980 been issued or been agreed to be issued or is now proposed to be issued fully or partly paid, either for cash or for a consideration other than cash;

(b) no commissions, discounts, brokerages or other special terms have been granted by Amersham or any of its subsidiaries since 10th February, 1980 in connection with the issue or sale of any share or loan capital of such companies; and

(c) no unissued share or loan capital of Amersham or of any of its subsidiaries is under option or agreed conditionally or unconditionally to be put under option.

2. Borrowings

On 15th January, 1982 Amersham and its subsidiaries had outstanding unsecured bank overdrafts of £1,838,000 and term loans of £9,529,000 (£56,000 secured) including foreign currency borrowings by subsidiaries (principally in US dollars) equivalent to £1,994,000. In addition on 15th January, 1982 Amersham and its subsidiaries had finance lease obligations outstanding which, on the basis of capitalisation set out in the proposed Statement of Accounting Practice "Accounting for Leases and Hire Purchase Contracts" (ED 29), amounted to £2,162,000.

Amounts in foreign currencies included above have been translated into sterling at the relevant rates of exchange on 15th January, 1982.

As part of the arrangements for the Offer for Sale, the Company is repaying at par £1,619,000 of loans from HM Government.

3. Articles of Association

The Articles of Association of the Company contain, *inter alia*, provisions to the following effect:

(a) Limitations on Shareholdings

(i) If any person acquires, or is determined by the directors to have acquired, an interest in 15 per cent. or more of the voting shares of the Company, i.e. the Ordinary shares and any other future class of shares with identical voting rights, (such person being referred to as a "Relevant Person" and the shares comprised in his interest as "Relevant Shares") the directors shall serve written notice on all those with interests in, and, if different, on the registered holders of, the Relevant Shares requiring a disposal to be made of such number of Relevant Shares as will cause such person to cease to be a Relevant Person (a "Required Disposal"). Reasonable evidence of such disposal must be supplied to the Company within 21 days or such other period as the directors consider reasonable and which they may extend. For these purposes none of (1) SEPON Limited or any successor of SEPON Limited as a Stock Exchange nominee; (2) the Special Shareholder referred to in (b) (i) below or the chairman of a meeting of the Company or of a meeting of the holders of voting shares when exercising the voting rights conferred on him under the provisions referred to in (iii) below; or (3) a Trustee (acting in that capacity) of any employees' share scheme of the Company will be treated as a Relevant Person. In addition, a person will be deemed to have an "interest" in voting shares if such interest, whatever its size, would be taken into account in deciding whether a notification to the Company would be required under Part IV of the Companies Act 1981 (the "1981 Act"), save that interests which, under Section 71(1)(a), (b), (e) and (j) of the 1981 Act would be disregarded, shall not (except those of a bare or custodian trustee under the laws of England or of a simple trustee under the laws of Scotland) be disregarded for the purposes of the Articles.

(ii) If a notice served under (i) above has not been complied with to the satisfaction of the directors, the Company shall, so far as it is able, make a Required Disposal at the best price reasonably obtainable and shall give written notice of such disposal to those persons on whom such notice was served. Where, on a Required Disposal being made by the Company, Relevant Shares are held by more than one registered holder (other than joint holders), the same proportion of each identified holding will be sold. In order to effect a Required Disposal, the directors may authorise any officer or employee of the Company to execute the necessary transfers and may issue a new certificate to the purchaser. In such circumstances, the proceeds of any disposal will be received by the Company, whose receipt will discharge the purchaser, and will be paid (without interest) to the former registered holder upon surrender by him of any certificate in respect of the Relevant Shares formerly held by him.

(iii) A registered holder of a Relevant Share shall not in respect of such share be entitled to receive notice of, to attend or to vote at any general meeting of the Company or meeting of the holders of voting shares until the Required Disposal has been made and the rights to attend (whether in person or by proxy), to speak and to demand and vote on a poll which would have attached to such share had it not been a Relevant Share will automatically vest in the Special Shareholder referred to in (b) (i) below or, following the redemption of the Special share, in the chairman of any such meeting.

(iv) The Articles provide that the Company, its members and all persons interested in its voting shares are bound by the provisions of Part IV of the 1981 Act (before as well as after such provisions come into force). Accordingly, members and other persons interested in voting shares are obliged to disclose to the Company, *inter alia*, interests in 5 per cent. or more of the voting shares as provided for in that Act and the Company may also serve notices on persons requiring them to disclose such interests. A register of all interests so disclosed is to be kept by the Company.

The Articles also impose an obligation to disclose to the Company certain other interests described in Section 71(1) of the 1981 Act which are referred to in (i) above and which would otherwise be disregarded under that Act (for example, interests under a discretionary trust and life interests under a settlement) and the Company will keep a separate register of these interests.

Under the 1981 Act, the Secretary of State for Trade has power to alter the notifiable percentage under that Act from its present level of 5 per cent. If such alteration increases the percentage to over 10 per cent. such percentage will, for the purposes of the Articles, be taken to be 10 per cent.

(v) Unless the information contained in the registers referred to above indicates to the contrary, or unless any director has reason to believe otherwise (in which circumstances the directors shall use their best endeavours to investigate the matter), the directors may assume without enquiry that a person does not have an interest in 15 per cent. or more of the voting shares. Likewise, they may, if they have reasonable grounds to believe so, determine a person to have such an interest and impose the restrictions set out in (iii) above until such time as they are satisfied that such is not the case.

(vi) The directors shall not be obliged to serve any notice otherwise required under the aforementioned provisions upon any person whose identity or address is unknown to them. Any decision taken by the directors under the above provisions shall be final and conclusive.

(b) The Special share

(i) As well as the Ordinary shares, the capital of the Company includes one Special Rights Preference share of a nominal value of £1 (the "Special share"). The Special share is held by the Secretary of State for Energy and may be transferred only to a Minister of the Crown or a person authorised in writing by such a Minister to hold the same on his behalf. The holder for the time being of the Special share (the "Special Shareholder") may require the Company to redeem the Special share at its nominal amount on or after 31st March, 1988.

(ii) The Special Shareholder is entitled to receive notice of, and attend, all general meetings and meetings of the holders of voting shares but not to speak or vote at such meetings, except when the voting rights of Relevant Shares are vested in him, as described in (a)(iii) above. The following matters shall be deemed to be a variation of the rights attaching to the Special share:

(1) the amendment or removal of all or any of the provisions described in this paragraph and paragraph (e);

(2) the voluntary winding-up of the Company;

(3) any disposal which, alone or when aggregated with any other disposal or disposals forming part of, or connected with, the same or a connected transaction, constitutes a disposal of the whole or a material part of the assets of the Group;

(4) any disposal which, because of its size, is required by the Council of The Stock Exchange to be consented to or approved by the Company in general meeting; and

(5) the issue of any shares with voting rights not identical to those of the Ordinary shares.

(iii) For the purpose of (ii)(3) above, a part of the Group's assets shall only be deemed to be material if:

(1) its book value, calculated by reference to the then latest audited consolidated accounts or the total consideration to be received on its disposal is not less than 25 per cent. of the book value of the net assets of the Group; or

(2) the average profits attributable to it represent at least 25 per cent. of the average profits of the Group, being the average for the last three years for which audited accounts are available and before deducting all charges, except taxation and extraordinary items;

and the book value of any assets and the attributability of profits thereto shall in each case be conclusively determined at the request of the Special Shareholder by the Company's auditors after making such adjustments as they consider appropriate.

(iv) On a return of assets in a winding-up of the Company the Special Shareholders shall be entitled to repayment of the capital paid up on the Special share in priority to any payment to other members. The Special share confers no further right to participate in the profits or assets of the Company.

(c) Voting

Subject to the rights and restrictions as to voting referred to in (a) above and to any special rights or restrictions as to voting relating to any shares or class of shares issued by the Company in the future, at a general meeting of the Company, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every 25p in nominal amount of shares of which he is the holder, save that a member shall not be entitled to exercise such right to vote if he or any person appearing to be interested in shares held by him has been duly served with a notice under Section 27 of the Companies Act 1976 or Section 74 of the 1981 Act and is in default in supplying to the Company the information thereby required.

(d) Variation of Rights

The special rights attached to any class of shares may be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. At every such separate general meeting (except an adjourned meeting) the quorum shall be two persons holding or representing by proxy one third in nominal value of the issued shares of the class.

(e) Directors

(i) The directors (and their alternates) shall not be required to hold any qualification shares.

(ii) Each director shall be entitled to receive remuneration for his services as a director at such rate, not exceeding £10,000 per annum, as the directors may from time to time determine. The Company in general meeting may increase the amount of the aforesaid maximum remuneration.

Any director who holds any executive office (including for this purpose the office of chairman or deputy chairman, whether or not such office is held in an executive capacity) or who serves on any committee or who otherwise performs services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director may be paid such extra remuneration by way of salary, commission or otherwise as the directors may determine.

The directors may cause the Company to repay to any director all such reasonable expenses as he may incur in attending and returning from meetings of the directors or of any committee of the directors or general meetings or otherwise in or about the business of the Company.

The directors may cause the Company to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any director or ex-director and, for the purpose of providing any such pensions or other benefits, to contribute to any scheme or fund or to pay premiums.

(iii) Save as provided in the Articles, a director may be a party to, or in any way interested in, any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is member) may also act in a professional capacity for the Company or any such other company and be remunerated therefor; and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

Save as provided in the Articles, a director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. A director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors, such proposals may be divided and considered in relation to each director separately; and in such case each of the directors concerned (if not otherwise debarred from voting under the Articles) shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment. The company may, subject to the provisions of the Companies Acts, by ordinary resolution suspend or relax such provisions to any extent or ratify any transaction not duly authorised by reason of a contravention thereof.

(iv) At each annual general meeting, one third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one third) shall retire from office by rotation.

Note: The Articles of Association do not contain any provisions varying or excluding Section 185 of the Companies Act 1948, which relates to the appointment and retirement as directors of persons who are aged 70 or more.

BUILDING AND CIVIL ENGINEERING

Binnie leads in Peru

THE APPOINTMENT of Binnie and Partners, the British consulting engineers, to laad an international team for the design and tender stages of a £250m water transfer scheme in Peru represents the culmination of over 12 years preliminary work by the consultants.

Studies for the Andes project have been in progress since 1969 when Binnie began work on the scheme.

The Peruvian Government has now named the firm as leaders of a group of consultants which will include Kennedy and Donkin of Woking, Zurichconsult of Switzerland, and the National Engineering Laboratory (NEL), East Kilbride.

The proposals involve the transfer of water from the River Mantaro, on the eastern side of the Andes to the River Rimac, which flows through Lima, Peru's capital, into the Pacific. Tha scheme will substantially increase electricity production in Peru, and meet Lima's water requirements to the end of the century.

Peru'a demand for water is already providing a valuable source of work for international civil engineering contractors. A six-nation consortium, including Tarmac of the UK, is well on the way to completing the huge Majes irrigation scheme, a £300m construction project designed to convert 150,000 acres of dead pampas into arable land. Further extensions to the scheme could provide contracts worth three times that figure. Tarmac itself must stand a good chance of winning at least some of the Mantaro work.

As with Majes, most of the Mantaro scheme will involva construction work at bigh altitudes, varying between 3,500 and 5,000 metres (11,500 to 16,500 ft) ahove sea level.

Two large pumping stations will lift the water from the River Mantaro up the eastern side of the mountains. Each station will house five pumps, each capable of lifting 4 cubic metres/second (880 gals/sec) against a head of 300 metres (1,000 ft).

It is in connection with the pumping stations that the other members of the consor-

tium will ba engaged. Kennedy and Donkin will be looking at the problems of designing and installing 220 kV power lines from the west to the east side of the Andes and providing substations at the pumps.

Zurichconsult will be working on the pumps. As Swiss engineers they have a wide experience of bydro-electric work and large pumps, and the Andean facility will be bandling unusually heavy loads.

The National Engineering Laboratory will be carrying out tests on the pumps at the works where they are built, and again when they are installed on site.

As part of the scheme, Lake Junin, a large natural lake in the mountains, will be enlarged. Other features of the project include construction of 35 km (about 22 miles) of large diameter pipelines and canals, building a new reservoir at Carispaccha and anlarging the reservoir at Marcapamacocha. This will entail the construction of a 35 metre (115 ft) high earth dam in an earthquake area.

Water will be released from this reservoir through the existing trans-Andean tunnel—to he enlarged under a separate contract being prepared by Binnie in association with Motlima of Peru. When the water reaches the western side of the Andes it will flow through existing and new hydro-electric power atations to a water supply intake just upstream of the city of Lima. The city's present water supply comes from the River Rimac, from ground water and from desalination schemes.

When the first stage of the scheme—including a naw power station—is complete (target date is 1986) the increased water flow to Lima will reach 440m gallons a day, an increase of 20m gallons a day.

Binnie and Partners will complete tender documents within 12 months, and working drawings in 21 mooths. Site work should start about three months later.

Value to Binnies of the consulting contract and the tunnel enlargement project is about £2.25m—financed by tha World Bank.

TONY FRANCE

Cut-throat tenders hit heating industry

CUT-THROAT pricing continues to dominate the heating and ventilating contracting industry, although there are some signs that the recession which has provoked such fierce competition may be bottoming out.

According to the latest state of trade inquiry conducted by the Heating and Ventilating Contractors' Association—which recently accused the British Gas Corporation of unfair competition—the number of members reporting increased orders or rising output crept up slightly in the second half of 1981. The number of contractors operating at full or almost full capacity remained, however, at just under 50 per cent.

At the same time, over 90 per cent of heating and ventilating specialists said that tender prices were "over-keen" or below the point where they made any economic sense.

The survey indicates that levels of operating capacity are reasonably consistent throughout the UK while, in the face of the recession, companies have continued to slim down via natural wastage or redundancies. Apprentice intake has dropped further and there is serious concern about future availability of skilled manpower.

Raising flat-roof image

JOINING THE existing 400 or more various organisations either connected with or wishing to influence the building industry is the newly formed Bituminous Roofing Council.

Its aim is to alter the bad name given to flat roofs over tha last few years. A reputation which has grown from an increasing number of faults and problems found in this side of the industry due, says the Council, to ignorance of modern technological techniques and advances in new materials for flat roof application.

A considerable fund of knowledge and expertise is now available, gained largely by materials manufacturers and roofing contractors through research, development, and actual experience in installation.

Representing the two main industry ends of the flat roofing spectrum (the producers of primary flat roofing materials and those who want to instal them) the new body will coordinate and make available all up-to-date information on design, materials selection and installation for flat and low-pitched roofing systems.

Technical information sheets will be issued in a series which will create an authoritive compendium on all aspects of flat roof design and construction and, through the BRC Flat Roof Advisory Service, guidance will be offered to owners, architects and anyone else involved in specific projects.

More on 01-828 7672.

New Billingsgate Market

BY COLIN AMERY, ARCHITECTURAL CORRESPONDENT

A NEW chapter in the history of Billingsgate fish market begins this week with the official opening of the new market buildings in West India Docks on the Isle of Dogs.

The £11m market has moved downriver from its former premises between London Bridge and Tower Bridge to enable a road widening scheme to proceed and to leave the way clear for a £75m redevelopment scheme, details of which were unveiled last week.

The new market building, in appearance like a fully-rigged ship, may initially lack the traditional atmosphere of its forbear but is an exciting structure that will undoubtedly prove more efficient. It is not surprising, therefore, that architects Newman Levinson and Partners has been asked to prepare proposals for the new fish market building in Mexico City.

Newman Levinson is a practice with a reputation for industrial and commercial buildings, including a large number of industrial estates and shopping centres like the Superstore for Wimpey Property Holdings in Bournemouth and the supermarket and offices for J. Sainsbury at New Barnet.

The most strikingly visual feature of the new Billingsgate market—completed on schedule in just 18 months—is the frame from which the roof is suspended.

It is the skyline of the new market that is its most distinctive feature. The whole of the market hall roof is suspended from mast-like trusses which rise high over the roof. Replicas of the old weather vanes are fixed to this new structure. The steel masts and the space frame roof ensure that as much column free space as possible is provided.

The modern structure incorporates an existing 700 feet long early 20th-century reinforced concrete building known as Shed 36. The concrete is brick-clad which helps to create a more traditional market atmosphere. The main market hall covers an area of 33,621 sq ft and is surrounded by traders' shops with a gallery for offices.

Requirements that are peculiar to a fish market have been skilfully met—particularly the rigid fire restrictions, insulation protection and the need for minus 20 degree Centigrade cold store. Special tanks have had to be provided for the boiling of lobsters.

The chief drawback of the old market was congestion. Here the parking and traffic separation should remove any chance of lorries blocking routes. The market hall trade vehicles are separated from the cold store and restaurant suppliers. A vehicle service station is provided on the site.

The use of materials characterises the serviceable nature of this building. Coved skirtings, ceramic or terrazzo finishes make it easy to clean and floors are non-slip.

Start on new British Library

BUILDING IS expected to begin in March on the £88m first stage of the new British Library headquarters in Euston Road, London.

The first contract, worth £5.2m, has been placed with Lilley Construction and covers the sinking of pile walls enclosing the four basement levels, excavation (including the removal of existing foundations), and the installation of piles to form a foundation for the new building.

Work on the superstructure is due to follow in 1984.

Henry Boot in Hong Kong

AS PART of Henry Boot's development overseas, a new international company called Henry Boot Clapham has been formed in Hong Kong to undertake major landscaping contracts in the territory. It will draw on the combined expertise of Henry Boot Far East in tha civil engineering field and Clapham Landscapes which operates as a landscaping company both in the UK and abroad.

UK CONTRACTS

Friary Site phase two

THE CONTRACT for the second phase of redevelopment of the Friary Site in the centre of Guildford is worth £8.75m to Y. J. LOVELL (SOUTHERN), part of the Lovell Construction Group.

This is a prestige project for MEPC, and a seven-storey block has been pre-let to Sterling Winthrop, which has already moved into offices in Phase One.

Phase two offers parking and five floors of offices (with board-room facilities at the top) with fully-glazed enclosed bridge links to phase one at three levels.

An important focus in the design is a triangular atrium, a heated and ventilated core covered by pitched patent glazing to be fully landscaped with trees and shrubs.

Rather than conceal air conditioning ducting, the architect has chosen to use colour and make it a vertical feature within the atrium.

WORK IN London worth ovar £6m has been awarded to the southern division of FAIRCLOUGH BUILDING.

The largest scheme is a £2.3m four-storey office block in Monck Street, SW1, now under way for Centrovincial Estates.

Work has started also on a 10-storey development of 18 luxury apartments in Avenue Road, St. John's Wood, where IFH Design and Build has placed a £2.2m contract.

The company's divisional building services department is to carry out a further phase of refurbishment at the Royal Court Hotel, Sloane Square under a £1.1m scheme for Norfolk Capital Group.

Other jobs for this department are £½m worth of reroofing projects in the boroughs of Kingston-upon-Thames and Wandsworth, and refurbishing 30 occupied homes in the borough of Merton.

*

AN ORDER for £4.75m has been received from Sir Robert McAlpine Management Contractors (on behalf of Greycoat London Estates Victoria) by S. W. Farmer subsidiary, S. W. FARMER AND SON, for the structural steel decking for the Victoria Station rail air terminal offices.

About 5,000 tonnes of structural steel and decking make up the order to form a raft above platforms 9 to 19 above which is to be a 20,000 square metre office block.

Detailed engineering has already commenced and fabrication will be carried out in Farmer factories in London and Leeds.

*

TESCO STORES has placed a £3.3m contract with COSTAIN CONSTRUCTION for a store to be built at Bromley-By-Bow in London's East End.

Construction comprises a part single- and part two-storey store with concrete foundations, reinforced concrete frame, brick and blockwork walls, metal deck flat roofing on steelwork with perimeter tiled mansards.

Costain will also install sprinklers, vent, plumbing services, finishings, external drainage, car parking and associated works.

Work has just started with a completion target at the end of this year.

*

TWO NEW contracts with a total value of £2m have gone to Bradford-based TOTTY BUILDING GROUP.

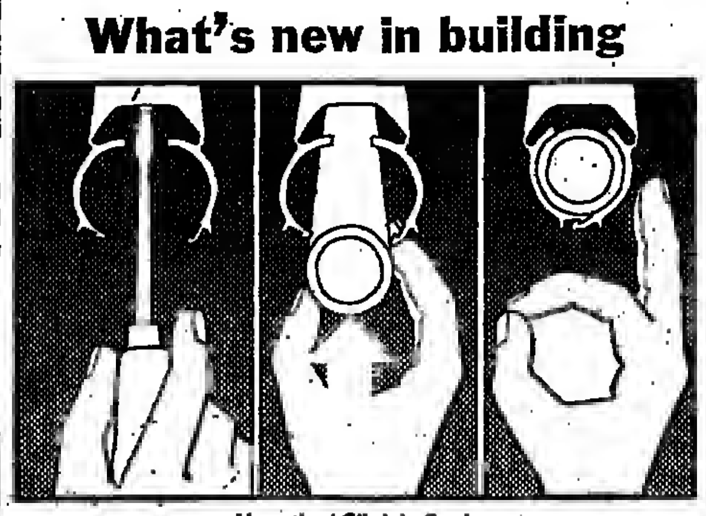
One covers improvements and repair of 133 semi-detached houses built in the 1930s at the Ravenscliff Estate, Bradford for the City of Bradford Metropolitan Council, and the second involves construction of a mix of 52 dwellings at Beeston, near Leeds, for Leeds City Council.

*

CONTRACTS TOGETHER worth £1.81m are announced by FRENCH KIER CONSTRUCTION which is to start at once on a £1.35m scheme for the construction of Stoke Bridge and approaches for Suffolk County Council.

Work on the construction of Godney water tower, near Spalding, is for the Anglian Water Authority and this £468,000 scheme expects to take about a year to complete.

What's new in building



How the 'Clic' is fixed

A SIMPLE and speedy one piece nylon clip is now available for fixing conduits (steel or pvc) in air conditioning, plumbing, communications, and so on.

Made from Polyamid, the Clic which comes from Switzerland, has a slot to take M6 steel plate for stud mounting, or is simply screwed to a surface, the conduit fitted in place, then the clip clicked shut. It can be released any time with a screw driver or the edge of a coin.

In a number of sizes in light grey, dark grey or black, it can be ordered from Protection and Control Systems, 15 City Road, Finsbury Square, London EC1 (01-628 0338).

CEEbloc power distribution unit

A NEW low cost lightweight four-way power distribution unit has been launched by Tripewer to provide safe power wherever needed, in industrial or agricultural locations. The new 240V unit (CEEbloc) provides four angled splashproof outlets and is made in a tough oil resistant rubber casing measuring 355 x 101 x 100 mm. With its integral earthing facilities, CEEbloc has been designed to ensure the safe convenient use of any electrical equipment away from the main power source. It fully meets BS 4343 1968/CEE 17 and costs £29.50. More on Marlow 3040.

*

MADE FROM Finnish birchwood flakes, a new structural board has been developed, said to be comparable in strength to plywood, and with technical characteristics enabling it to exceed the performance of particle board products.

Birch flakes, 0.2 mm thick, are bonded under pressure with a melamine adhesive. Made by Metsaliitton Industries in Finland, the board is stated to be weatherproof and can replace plywood down to 4 mm thickness.

It can be used in house building for cladding, flooring, roofing and decoration.

Board sizes range up to 5500mm x 2550mm, and thicknesses from 4 to 22 mm.

Details from Finnforests on 01-251 2671.

BUSINESSMAN'S DIARY

UK TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	International Men's and Boys' Wear Exhibition (021 705 6707) (until Feb 17)	Olympia
Feb 16-20	Ideal Home Exhibition (0202 28475)	Assembly Rooms, Worthing
Feb 17-19	The International Swimming, Pool and Leisure Show (04912 77866)	Wembley Conference Centre
Feb 21-23	Video Software Show (01-686 2500)	Heathrow Hotel
Feb 21-25	Scottish Gifts Fair (01-865 9201)	Kelvin Hall, Glasgow
Feb 24-25	Oil, Gas, Petroleum and Process Plant Exhibition (01-637 8641)	Bloomsbury Centre, London
Feb 24-26	Unit Load Show (01-908 2122)	Wembley Conference Centre
Feb 28-Mar 4	International Light Show (0248 88396)	Olympia
Mar 1-4	Hydraulics and Pneumatics Exhibition (01-839 5041)	NEC, Birmingham
Mar 2-6	International Production Engineering and Productivity Exhibition and Conference (01-747 3131)	Olympia
Mar 4-7	National Glazing Exhibition (01-686 2599)	Cunard International
Mar 7-9	Footwear and accessories show (01-739 2071)	Exhibition Centre, Harrogate
Mar 8-13	The Business Enterprise Show (01-636 3716)	NEC, Birmingham
Mar 8-20	Chelsea Antiques Fair (0727 56069)	Old Town Hall
Mar 9-Apr 3	Daily Mail Ideal Home Exhibition (01-222 9341)	Earls Court
Mar 14-17	International Glass and Glass Technology Exhibition—GLASSEX (0376 77966)	NEC, Birmingham
Mar 14-18	Autoquip Exhibition (01-235 7000)	Olympia

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Current	Equipment and apparatus for drug production and testing exhibition (01-235 2423) (until Feb 18)	Moscow
Current	International Trade Fair for Watches, Jewellery and Silverware—INHORGENTA (01-486 1951) (until Feb 16)	Munich
Feb 15-18	Middle East Machine Maintenance, Light Engineering and Handling Show—MEM (01-486 1951)	Bahrain
Feb 23-26	TECHEX '82—Annual Technology Exchange Fair (01-584 5749)	Lyons
Feb 23-27	International Rubber and Plastics Exhibition for Asia (01-839 5041)	Singapore
Feb 25-28	Scandinavian Menswear Fair and Fashion Week (01-540 1101)	Copenhagen
Feb 27-Mar 3	International Fair (01-734 0543)	Frankfurt
Mar 2-6	Construction Indonesia '82 (01-486 1951)	Jakarta
Mar 5-8	Winter Sports Fashion Exhibition (01-439 3964)	Paris
Mar 7-10	International Fashion Trade Fair — IGEDO (01-409 0956)	Dusseldorf

BUSINESS AND MANAGEMENT CONFERENCES

Feb 15-17	AMR International: Management Skills and Techniques for Women in Business (01-262 2732)	Kensington Hilton Hotel
Feb 16-17	Crown Eagle Communications: Gaining Value from Overhead Costs (01-636 0617)	Hilton Hotel, W1
Feb 17	Mills and Allen Communications: CBT Techniques and Uses—An Appreciation (01-240 1307)	London
Feb 18-19	International Chamber of Commerce: The international effects of nationalisations (Paris 261.85.97)	Paris
Feb 24	City University: Financial Futures Markets (01-920 0111)	London, EC1
Feb 25-26	The Economist: The World Market: protectionism or co-operation and expansion? (01-839 7000)	Hyde Park Hotel, W1
Feb 25	The Banker/OFC/LCCI: Growing Pains—Resolving the problems facing international Banks of establishing and developing a physical presence in the City of London (01-629 2433)	Cannon Street, EC4
Feb 25	Dun and Bradstreet: Fundamentals of credit management—for credit personnel and those concerned with trade debtors (01-247 4377)	Albany Hotel, Birmingham
Mar 1-2	FT Conference: The Fourth World Motor Conference (01-621 1355)	Geneva
Mar 3	DIBC (UK): The credit analysis of international banks (01-785 5126)	City Conference Centre, EC3
Mar 4	LCCI: Conference on West Germany (01-248 4444)	Cannon Street, EC4
Mar 4-5	International Commercial Arbitration Symposium (08 231200)	Stockholm
Mar 8-9	AMR/Euromoney: Aerospace International Shipping Financing Energy Techniques (01-262 2732)	London Press Centre
Mar 10-12	Esomar: Profitable co-operation of manufacturers and retailers (020 444995)	Munich
Mar 15-18	IPM: The Elements of Salary Administration (01-946 9100)	Embassy Hotel, W2
Mar 17	Institute of Credit Management: National Conference (0990 23711)	Hilton Hotel, W1
Mar 18	Institute of Marketing: Action for Recovery Conference (01-680 7525)	Hilton Hotel, W1
Mar 16-19	London Export Conferences: Nigeria—Future Programmes (0822 3577)	Churchill Hotel, W1

Anyone wishing to attend any of the above events is advised to telephone the organisers to ensure that there has been no change in the details published.

COMPANY NOTICES

INSURANCE

Linked-life contracts dominate savings market

BY ERIC SHORT

LINKED-LIFE assurance business broke all records last year and is now firmly established as a dominant force in the UK personal savings market.

Figures published last week by the Life Offices' Association showed new annual premiums for individual linked-life business up by 30 per cent to a new record of £180m, and single premiums improving by more than 70 per cent to £549m, breaking the annual sales record achieved in 1973.

Now linked-life accounts for one quarter of annual premiums individual business and half of single-premium business.

Life assurance has several tax advantages over other forms of saving, both for the life company and the individual saver. The public has now come to understand the risks involved in linked-life investments and is prepared to accept them in seeking the greater rewards available compared with conventional life savings contracts.

Professional intermediaries now make considerable use of linked-life plans in their financial planning arrangements for clients. Traditional life companies are now setting up their own linked operations alongside their cooventional business in order to participate in this growth sector.

Linked-life business is also buoyant because of the abseoce of constraints on selling any contract labelled life assurance.

The majority of linked-life business is now sold by the direct sales forces of life companies.

Many life companies consider that future growth will also come from direct sales rather than from independent intermediaries. Such companies have recently announced plans to double or even treble their sales forces over the next five years.

This lack of control over life assurance sales has caused some concern to Professor Gower in his review of security dealings and the present scope of the Prevention of Fraud (Investment) Act.

In his recently-published discussion document, he is basically against door-to-door sales of any type of life contract. If the authorities allowed this to continue, however, he feels sales should be restricted to "straightforward" life policies and not permitted in the case of bonds.

This section of his discussion appears to have less clarity and logic than other sections.

His definitions of life contracts are somewhat vague, conveying the impression that he gained his knowledge of life assurance mainly from sources other than the life companies.

He certainly met the Unit Trust Association and the Stock Exchange quite early in his investigations and has had several meetings subsequently, both formal and informal. He had just one formal afternoon meeting with the LOA quite late in the day.

Nevertheless, his views contain two valid points that are often discussed by commentators and never satisfactorily dealt with by the authorities.

First, he emphasises that a linked-life bond is an investment product, not a life product selling equity investment (or some other form) rather than life assurance. Second, he is concerned over the lack of control of salesmen in the course of a door-to-door sale.

What is not clear from the discussion document, however, is exactly what type of life policy Professor Gower would permit to be sold door-to-door.

The document has certainly thrown into confusion those life companies relying on direct sales for their business, including the home service companies such as the Prudential and the Pearl.

They intend to put their side of the picture to Professor Gower quite strongly during the next few months. For if his views were ever put into practice, linked-life sales could well go into a sharp decline.

This week in Parliament

TODAY

Commons: Private Members' Motions until 7 pm. Hops Marketing Bill, remaining stages. Debate on First Report from Procedure Committee.

Lords: Copyright Act Amendment Bill 1956, Second Reading. Debate on First Report of Science and Technology Select Committee on Science and Government. Debate on Tidal Power from the Severn Estuary.

Select Committees: Home Affairs: Sub Committee on Race Relations and Immigration — Subject: Immigration from the Indian Sub-Continent. Witnesses: Joint Council for the Welfare of Immigrants. (Room 15, 11 am).

Education, Science and Arts: Subject: Science Policy. Witnesses: Advisory Council for Applied Research and Development. Subject: Central Policy Review Staff (Room 6, 4.30 pm).

Energy: Subject: Combined Heat and Power. Witnesses: Department of Energy; National Coal Board (Room 8, 4.30 pm).

Treasury and Civil Service: Subject: Budgetary Reform in the UK. Witnesses: Officials from the Department of the Environment; Departments of Health and Social Security (Room 15, from 4.30 pm).

Foreign Affairs: Subject: Caribbean and Central America—British approach to stability, security and development. Witnesses: Dr A. Thorndyke, North Staffordshire Polytechnic; Professor A. Lowenthal, University College, London. (Room 5, 4.45 pm).

Public Accounts: Subject: Road Construction Units — transfer to consultants. Witness: Sir Peter Baldwin, Permanent Secretary, Department of Transport (Room 16, 4.45 pm).

TOMORROW

Commons: Motions on Rate Support Grant (Increase) Order; Supplementary Report (England) 1982, and the (England) Report 1982-83; Welsh Rate Support Grant Report 1982, and Supplementary Report 1982.

Lords: Local Government (Miscellaneous Provisions) Bill, Second Reading. Junior Hospital Doctors Bill, Second Reading. Debate on personal savings and housing markets.

Select Committees: Environment: Subject: Private Rented Housing. Witness: Mr John Stanley MP, Minister for Housing and Construction (Room 16, 4 pm).

Social Services: Subject: University Grants Committee cuts and medical services. Witnesses: University Grants Committee; University Hospitals Association (Room 2, 4 pm).

Transport: Subject: Proposed transfer of HGV and PSV testing to private sector. Witnesses: Road Haulage Association; Freight Transport Association; Confederation of British Road Passenger Transport; Institution of Professional Civil Servants. (Room 17, 4.15 pm).

WEDNESDAY

Commons: Canada Bill, Second Reading.

Lords: Debate on need for better educated working population; danger of present cuts in higher and further education; need for increased aid for part-time and other adult education. Salmon Fisheries (Protection) (Scotland) Bill, Second Reading.

Select Committees: Scottish Affairs: Subject—Rural road passenger transport and ferries. Witnesses: Highland and Islands Development Board (Room 5, 10.30 am).

Industry and Trade: Subject Rolls-Royce Ltd. Witness: Rolls-Royce Ltd. (Room 16, 10.45 am).

Defence: Subject: Ministry of Defence organisation anc' procurement. Witnesses: British Aerospace (Room 15, 11 am).

Home Affairs: Subject: Police complaints procedure. Witnesses: Justice (Room 8, 11 am).

Transport: Subject: The Channel Link. Witness: Rt Hon David Howell MP, Secretary of State for Transport (Room 17, 11.15 am).

Public Accounts: Subject: Non-competitive contracts; pricing and post-costing; funding of purchases of defence equipment. Witness: Sir Derek Cooper, Permanent Under-Secretary of State, Ministry of Defence (Room 16, 4 pm).

Social Services: Subject: The age of retirement. Witnesses: General and Municipal Workers Union; Iron and Steel Trades Confederation (Room 21, 4 pm).

Transport: Subject Transportation in London. Witnesses: Greater London Council (Room 17, 4.15 pm).

Treasury and Civil Service: Subject: Efficiency and Effectiveness in the Civil Service: Witness: Sir Anthony Rawlinson KCB, Second Permanent Secretary, HM Treasury (Room 15, 4.15 pm).

Welsh Affairs: Subject: Water in Wales. Witnesses: Confederation of British Industry, Wales; National Farmers' Union (Room 18, 4.30 pm).

THURSDAY

Commons: Motions on National Health Service (Determination of Regions) Order; the (Construction of District Health Authorities) Order and the (Determination of Districts) Order.

Lords: Transport Finance Bill, Committee. Leasehold Reform Bill, Second Reading. Opticians Act 1958 (Amendment) Bill, Second Reading. Debate on decision not to hold public inquiry into proposed diversion of A34 at Whitway.

Select Committee: Agriculture: Subject: Horticulture. Witnesses: F.A. and E. Cowper Ltd., Lea Valley Growers Association (Room 16, 11 am).

FRIDAY

Commons: Private Members' Bills.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The board meetings are mainly for the purpose of considering dividends and official indicatioos are oot always available whether dividends concerned are interims or fioels. The sub-divisions shown below are based mainly on last year's timetable.

TODAY

COMPANY MEETINGS—
Avon Rubber, Melksham House, Market Place Melksham, Wiltshire, 2.30
Lake and Elliot, The Great Eastern Hotel, Liverpool Street, EC, 2.30

BOARD MEETINGS—
Finals:
Bank Leumi (UK)
Drake and Scull
Scottish Eastern Inv Trust
Temple Bar Inv Trust
West Coast and Texas Reg Inv Trust
Interims:
Apex Props
Impala Platinum
Roan Cons Mines

DIVIDEND & INTEREST PAYMENTS—
Abbott Laboratories 18cts
Aberdeen Tst. Db. 4pc (Feb) (1970-84)
African European Inv. Pf. 1.63062p
Anderson Strathclyde Ln. 4pc
Anglo American Inv. Tst. Pf. 3.261250
Arbuthnot Dollar Ipc. Tst. Ptg. Pf. 4cts (3rd)
Avon Rubber 3p
Berkeley Hambro Prop. 4.5p
Borg-Warner 35cts
Bristol 13pcRed. 1985 6½pc
Brunswick 25cts
Chase Manhattan 85cts
Coalite Grp. 1.43p
Cohen (A.) 2.73p
Colgate-Palmolive 30cts
Concentra Unit Tst. Mutual Fd. DM 1.10
Fishguard and Rosslare Railways and Harbour 3½pcPf. 1.225pc
Greater London 13¼pc 1984 6⅝pc. 6¼pc 1990-92 3⅜pc
Nalma 0.561p
Hickson and Welch (Hldgs) 5p
Int. Bank for Reconstruction and Development 5pc 1977-82 2½pc
Jamaica 6pc 1977-82 3pc
Johannesburg Cons. Inv. 71.3306p
Kenya 5pc 1977-82 2½pc
Lee Grp. 4p
Liverpool Daily Post and Echo 5pcPf. 1.75pc
M and G Second Gen. Tst. Fd. Inc. 5.47p
Plaxtons (GB) 5.5p
Preedy (Alfred) 0.75p
Racal Electronics 1.265p
Scottish Metropolitan Prop. Obs. 3.1075 (1979-84). 3.1875 (1981-93) 3½pc
Sears Hldgs. 3½pc
Sotheby Parke Bernet Grp. 9p
Southwark 12½pcRed. 1987 6¼pc
TSB Gilt Fd. Ptg. 3.25p
Treasury 3pc 1982 1½pc
Williams (John) of Cardiff 0.5p
Wilson (Ambrose) 5½pcPf. 2¾pc
Zapata 18cts

TOMORROW

COMPANY MEETINGS—
Hardys and Hansons, Kimberley Brewery, Nottingham, 12.00
Kelsey Inds., Kelsey House, Wood Lane End, Hemel Hempstead, Herts, 11.00

BOARD MEETINGS—
Finals:
Pentland Inv Trust
Interims:
Abercom
Dalgety
Parkfield Foundries
Webb (Joseph)

DIVIDEND & INTEREST PAYMENTS—
Allied Residential 1p
Bank of Communications Fltg. Rate Notes 1985 $900.10
Kleinwort Benson Finance BV Gtd. Fltg. Rate Notes 1991 $188.85
Sidlaw Inds. 7.5p
Southend-on-Sea 9¼pcRed. 1981-83 4⅝pc
Sperry Corp. 48cts
Standard Chartered Bank Fltg. Cap. Notes 1990 $90.69
Uniroyal 5pcPf. 3.5pc. 5pcPf. (2nd) 3.5pc
Warner Communications 25cts

WEDNESDAY FEBRUARY 17

COMPANY MEETINGS—
BOC Int., Lyric Theatre, Hammersmith, King Street W, 3.00
McCorquodale, The Institute of Directors, 116 Pall Mall, SW, 3.00
Martin The Newsagents, Martin House, Ashwells Road, Brentwood, Essex, 12.00

BOARD MEETINGS—
Finals:
Bath and Portland
Birmid Qualcast
Copenhagen Handelsbank
Gillett Bros Discount
Foreign and Colonial Inv Trust
Hadland (John)
Interims:
Utd Real Prop Trust

DIVIDEND & INTEREST PAYMENTS—
Kelsey Inds. 5.5p
Krung Thai (Cayman) Gtd. Fltg. Rate Notes 1984 $07.75
Management Agency and Music 5.95p
Nationwide Building Soc. 14¼pc Bds. 25/8/82 7⅛pc

THURSDAY FEBRUARY 18

COMPANY MEETINGS—
Construction Hldgs, 124 Chancery Lane, WC, 11.30
Nottingham Brick, Daybrook House, Ribblesdale Road, Sherwood, Nottingham 11.00
Redfearn National Glass, The Royal Station Hotel, York, 12.00
Trans Oceanic Tst., 120 Cheapside, EC, 10.30
Utd. Spring and Steel Grp., Birmingham Chamber of Industry and Commerce, 75 Harborne Road, Birmingham, 12.00

BOARD MEETINGS—
Finals:
Adams and Gibbon
Goode Durrant and Murray
Metal Bulletin
Newbold and Burton
Tribune Inv Trust
Trust of Prop Shares
Whittingham (William)
Interims:
Cons Plantations
Ransom (William)
Reliance Knitwear
Sime Darby

DIVIDEND & INTEREST PAYMENTS—
British Sugar 17.5p
Brockhouse 1p
Bromsgrove Casting and Machining 0.75p
Construction Hldgs. 7p
Cook (William) (Sheffield) 0.3p
Guardian Inv. Tst. 4½pcDbs. 2 (1976-86) 2½ of 1958 issue)
Irish Distillers 2.18 (IR£)
McCorquodale 5.25p
Strathclyde Regional Council Variable Rate Red. 1983 £7.53125

FRIDAY FEBRUARY 19

COMPANY MEETINGS—
Lee (Arthur), Tapton Hall, Shore Lane, Sheffield, 12.30

BOARD MEETINGS—
Finals:
Kennedy Brookes
Lloyds Bank
Romney Trust
TACE
Interims:
Throgmorton Secured Growth Trust
Watsham's

DIVIDEND & INTEREST PAYMENTS—
Clydesdale (Tvl.) Collieries 27.5cts
Combined Int. Corp. 45cts
Crown House 2.25p
French (Thomas) 3.75p
Goldberg (A.) 1.294p
Gresham House Est. 1.4p
Griqualand Exploration and Finance 15cts
Merrill Lynch 32cts
Nottingham Brick 4.62p
Redfearn National Glass 5.28p
Trans-Natal Coal 35cts. Cnv.Pf. 37½cts
Utd. British Securities Tst. 3p
Utd. Spring and Steel Grp. 0.5p

SATURDAY FEBRUARY 20

COMPANY MEETINGS—
Bootham Eng., University of York, York, 12.30

DIVIDEND & INTEREST PAYMENTS—
Caterpillar Tractor 6.75cts
Exchequer 11¼pc 1984 5⅝pc
Lloydstrust Gilt Fund 31p
M and G Recovery Fund Inc. 1.8p
SeaCo Inc. 7.5cts
Security Pacific Corp. 55cts

SUNDAY FEBRUARY 21

DIVIDEND AND INTEREST PAYMENTS—
English and New York Tst. Db. 2¾pc
Exchequer 3pc 1983 1½pc. 10½pc 1997 5¼pc
Treasury 10pc 1992 5pc

APPOINTMENTS

Top changes at Bassett

GEO. BASSETT HOLDINGS has appointed Mr Michael Shanks as chairman designate and will succeed Mr Bill Mills as chairman on his retirement on March 31. Mr Richard Clemons is appointed vice chairman following Mr D. Clarke's retirement, and Mr Bev Stokes is appointed chief executive.

*

Mr Peter Craigie has been appointed as senior managing consultant with ARTHUR YOUNG MANAGEMENT SERVICES, the consulting division of Arthur Young McClelland Moores. He was previously partner in charge of the Scottish office of Tyzack and Partners.

*

Ms Rosemary Lowe, a director of Golley Slater Public Relations, has been appointed to the group's London agency board, GOLLEY SLATER ROE.

*

BANK OF SCOTLAND is making the following changes: Mr J. M. McMillan, a joint general manager of the Bank (resident in Glasgow) retires on April 15. Mr R. L. Cromar, an assistant general manager, branch administration, west area, succeeds Mr McMillan.

CONTRACTS AND TENDERS

WORLD STOCK MARKETS

NEW YORK

[illegible]

CANADA

[illegible]

GERMANY

[illegible]

FRANCE

[illegible]

AUSTRIA

[illegible]

BELGIUM/LUXEMBOURG

[illegible]

DENMARK

[illegible]

HOLLAND

[illegible]

SWITZERLAND

[illegible]

NORWAY

[illegible]

SWEDEN

[illegible]

ITALY

[illegible]

AUSTRALIA

[illegible]

SINGAPORE

[illegible]

HONG KONG

[illegible]

JAPAN

[illegible]

SOUTH AFRICA

1981/82 High	Low	Feb. 12	Price Rand
[illegible]	[illegible]	[illegible]	[illegible]
57.25	34.25	Buffels	38.76
7.85	4.85	CNA Invest	8
3.05	1.90	Currie Finance	2.8
10.90	8.30	De Beers	8.58
37.25	24.75	Driefontein	27
65.00	33.5	FS Geduld	39
110	54.0	Gold Fields S.A.	79
5.65	4.00	Highveld Steel	3.8
9.76	5.70	Huletts	9.2
43.75	28.00	Kloof	33
6.75	5.30	Nedbank	6.55
24	16.00	OK Bazaars	10.50
5.7	2.80	Protea Hldgs	3.3
12.1	6.35	Rembrandt	11
6.8	3.00	Rennies	6.3
7.00	4.8	Rust Plat	4.8
3.06	0.00	Sage Hldgs	2.05
5.15	3.25	SA Brews	4.87
22	15.00	Tiger Oats	21
3.85	2.30	Unisec	4

Financial Rand US$0.77
(Discount of 24½%)

BRAZIL

1981/82 High	Low	Feb. 12	Price Cruz
1.90	0.78	Acesita	1.72
12.30	3.06	Banco Brasil	19.30
4.86	1.60	Belgo. Min.	3.82
8.15	2.60	Lojas Amer.	8.13
2.90	2.12	Petrobras PP	0.86
9.95	2.06	Souza Cruz	8.20
10.10	4.66	Unip PE	10.10
13.45	4.50	Vale Rio Doce	16.70

TEL AVIV

Company	Prices Feb 14 1982	Change on the week
Banking, Insurance and Finance		
Bank Leumi le Israel	2,042	+ 20
IDB Bankholding	1,674	+ 4
Bank Hapoalim Br.	2,743	+ 41
Union Bk. of Israel Br.	1,900	+ 40
United Mizrahi Bank	1,388	+ 25
Hassneh Insurance Br.	1,460	+ 15
Leumi Mort. Bank Br.	1,110	− 35
"Tefahot" Isrl. Mt. Bk.	1,955	+ 16
Denet	320	− 2
Land Development		
Africa Israel Inv.	3,450	+ 50
Israel Land Devpt. Br.	1,445	—
Property and Building	1,110	—
Public Utility		
Super-Sol "A"	1,740	+280
Investment Companies		
Bank Leumi Invest.	945	+ 15
"Clal" Israel Invest.	700	—
Discount Invest.	950	−190
Commercial and Industrial		
Pelgaz "B"	2,800	+400
Dead Sea Works	2,490	+ 50
Argaman Textile Br.	647	− 2
"Ata" Textile "B"	NT	—
Amer. Israeli Ppr. Mills	1,400	−123
Elite	2,099	−212
Teva Reg.	1,910	− 70
Fuel and Oil		
Delek	1,100	+ 65

Source: Bank Leumi le Israel BM, Tel Aviv.

NOTES:—Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Indices

NEW YORK —DOW JONES

	Feb. 12	Feb. 11	Feb. 10	Feb. 9	Feb. 8	Feb. 5	1981-82 High	1981-82 Low	Since Cmpil't'n High	Since Cmpil't'n Low
●Industr'ls	833.81	834.67	838.66	850.57	833.45	851.03	1024.05 (27/4)	824.01 (25/9)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me Bnds.	55.67	55.75	55.92	56.97	58.17	56.52	65.78 (15/1/81)	54.88 (1/10)	—	—
Transport	347.54	348.31	347.80	342.72	345.95	357.17	447.38 (16/4)	335.48 (25/9)	447.38 (16/4/81)	12.23 (8/7/32)
Utilities	105.20	105.18	105.40	105.10	105.48	106.96	117.81 (6/1/81)	101.28 (28/9)	163.32 (20/4/69)	10.5 (28/4/42)
TradingVol 000's†	37,870	48,750	48,820	54,420	48,500	53,350	—	—	—	—

●Day's high 841.32, low 829.24.

Ind. div. yield %	Feb. 5	Jan. 29	Jan. 22	Year ago (approx)
	6.50	5.35	6.55	5.76

STANDARD AND POORS

	Feb. 12	Feb. 11	Feb. 10	Feb. 9	Feb. 8	Feb. 5	1981-82 High	1981-82 Low	Since Cmpil't'n High	Since Cmpil't'n Low
Indust'ls	127.51	127.57	127.31	126.77	127.80	130.85	157.02 (6/1/81)	125.63 (25/9)	160.96 (28/11/80)	3.52 (30/6/32)
Composite	114.38	114.43	114.88	113.68	114.63	117.26	138.12 (6/1/81)	112.77 (25/9)	140.52 (28/11/80)	4.402 (1/6/32)

	Feb. 10	Feb. 3	Jan. 27	Year ago (approx)
Ind. div. yield %	5.74	6.64	5.67	4.67
Ind. P/E Ratio	7.73	7.86	7.81	2.07
Long Gov. Bond yield	14.32	14.15	13.90	12.81

[illegible]

Companies and Markets **CURRENCIES, MONEY and GOLD** **RECENT ISSUES**

MONEY MARKETS COLIN MILLHAM

Only the brave

EUROPE was still showing defiant signs of refusing to be deflected from the path of lower interest rates last week, despite contrasting events in the U.S. Continued fears about money supply control and the size of the U.S. Budget deficit pushed up Eurodollar and domestic interest rates, while the Federal Reserve discount rate of 12 per cent looks way out of line with prime rates of 16½ per cent.

Meanwhile Europe set its face against these events and pursued an independent line. The most obvious example was France, where the official call money rate was cut on each of the last four days, to a level of 14⅞ per cent, compared with 14⅞ per cent at the beginning of the week. The rate at which the Bank of France intervened to assist the money market was cut by ½ per cent to 14½ per cent on Thursday, and the seven-day Treasury bill discount rate was reduced to 13¾ per cent from 16½ per cent on Friday.

In Milan interest rates did not change much, but rumours circulated that the Bank of Italy may be considering a cut in its discount rate, which has been at 19 per cent since last March.

In Frankfurt rates were steady, as German banks coped quite well with a tightening of liquidity following the unwinding of a DM 4.6bn securities repurchase agreement at the beginning of the week.

London interest rates also showed little change, with all interbank periods staying within a range of 14½-14¾ per cent. Bank of England dealing rates with the market were unchanged, and discount houses buying rates for bills were also steady. Market nerves could be judged by the low level of applications for Friday's Treasury bill tender and a further rise in the average rate of discount.

This reflects the short-term view of conditions, although the medium term view taken by the gilt-edged market looked rather more confident, encouraged by a steady inflation figure of 12 per cent. One major clearing bank was optimistic enough to talk of further cuts in base lending rates, but only the brave or foolhardy can totally ignore U.S. trends.

BANK OF ENGLAND TREASURY BILL TENDER

	Feb. 12	Feb. 5		Feb. 19	Feb. 5
Bills on offer*	£100m	£100m	Top accepted rate of discount	13.8179%	15.5873%
Total of applications	£162.755m	£548.885m	Average rate of discount	15.7844%	15.5681%
Total allocated	£100m	£100m	Average yield	14.87%	14.04%
Minimum accepted bid	£96.333	£99.51	Amount on offer at next tender	£100m	£100m
Allotment at minimum level	49%	74%			

WEEKLY CHANGE IN WORLD INTEREST RATES

	Feb. 19	change		Feb. 12	change
LONDON			NEW YORK		
Base rates	14	Unch'd	Prime rates	16½	Unch'd
7 day Interbank	14⅝-14½		Federal funds	14½-13¼	
3 mth Interbank	14⅞-14¾		3 Mth. Treasury Bills	14.13	+0.51
Treasury Bill Tender	13.7844	+0.2163	6 Mth. Treasury Bills	13.96	+0.14
Band 1 Bills	13⅞	Unch'd	3 Mth. CD	15.55	+0.19
Band 2 Bills	13⅞	Unch'd	FRANKFURT		
Band 3 Bills	13¾	Unch'd	Special Lombard	10	Unch'd
3 Mth. Treasury Bills	13⅞		One Mth. Interbank	9.63	-0.025
1 Mth. Bank Bills	13⅞	Unch'd	Three month	10.83	+0.025
3 Mth. Bank Bills	13⅞-13⅞		PARIS		
TOKYO			Intervention Rate	14¼	
One month Bills	6.71975	Unch'd	1 Mth. Interbank	14¼	
Three month Bills	6.68376	Unch'd	Three month	14⅞	
BRUSSELS			MILAN		
One month	14½		One month	20	Unch'd
Three month	13		Three month	21½	
AMSTERDAM			DUBLIN		
One month	10⅛		One month	19⅛	
Three month	10⅛		Three month	19¼	

London—band 1 bills mature in up to 14 days, band 2 bills 15 to 33 days, and band 3 bills 34 to 63 days. Rates quoted represent Bank of England buying or selling rates with the money market. In other centres rates are generally deposit rates in the domestic money market, and their respective changes during the week. * Band 4 (64-91 days) 13⅞.

FT LONDON INTERBANK FIXING

3 months U.S. dollars	
bid 16 1/8	offer 15 1/2
6 months U.S. dollars	
bid 16 5/8	offer 16 1/2

The fixing rates (Feb 12) are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

LONDON MONEY RATES

Feb. 12 1982	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	13¼-20	13¼-14¼	—	—	—	14¼-14⅛	13-14¼	—	—
2 days notice	—	—	14¼-14¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	14⅜-14¼	14¼	—	—	—	14¼-14¼	14-14¼	—	—
One month	14⅞-14⅞	14⅞-14¾	14¾	15-14⅞	14½	14¼-15	14	13⅞-13⅞	13⅞	14¼
Two months	14⅞-14⅞	14⅞-14⅞	—	15-14⅞	14½	15	15⅛	15-13⅞	13⅞-13⅞	14⅞
Three months	14⅞-14⅞	14⅞-14⅞	14⅞	15-14⅞	14⅞	15	13⅞	13⅞	13⅞-13⅞	14⅞
Six months	14⅞-14⅞	14⅞-14⅞	14⅞	14⅞-14⅞	14⅞	—	—	—	13⅞-13⅞	14⅞
Nine months	14⅞-14⅞	14⅞-14⅞	—	14⅞-14⅞	14⅞	—	—	—	—	—
One year	14⅞-14⅞	14⅞-14⅞	14⅞	14⅞-14⅞	14⅞	—	—	—	—	—
Two years	—	—	14⅞	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 14⅞ per cent; four years 15 per cent; five years 15 per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 13⅞ per cent; four months trade bills 14⅞ per cent.

Approximate selling rate for one month Treasury bills 13⅞-13⅞ per cent; two months 13⅞ per cent; three months 13⅞ per cent. Approximate selling rate for one month bank bills 13⅞ per cent; two months 13⅞ per cent and three months 13⅞ per cent; one month trade bills 14⅞ per cent; two months 14⅞ per cent; three months 14⅞ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 15½ per cent from February 1 1982. Clearing Bank Deposit Rates for sums at seven days' notice 11½-12 per cent. Clearing Bank Rates for lending 14 per cent. Treasury Bills: Average tender rates of discount 13.7844 per cent.

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Feb. 12	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	14¼-14¾	15⅜-16	14¼-15¼	10⅛-10¼	3⅛-3⅞	9¾-10¼	14¼-14¾	—	13-16	6-6½
7 day's notice	14⅞-14¾	15⅞-15⅞	14¼-15¼	10¼-10¼	3½-4	10-10⅛	14¼-14¾	19½-21½	14-17	6-6½
Month	14⅞-14⅞	15-15⅞	15¼-15⅞	10¼-10⅜	7⅛-7½	10¼-10⅜	14¼-14¾	20½-21½	17½-19½	6⅞-6⅞
Three months	14⅞-14⅞	15¼-15¾	15-15⅞	10¼-10⅞	8⅜-8½	10¼-10⅞	15-15½	22-22⅞	18-18	6⅞-6⅞
Six months	14⅞-14⅞	16¼-16⅞	15-16⅞	10¼-10⅞	8⅞-8⅞	10¼-10⅞	16-16½	22½-25⅞	18½-18¼	6⅞-6⅞
One Year	14⅞-14⅞	15⅞-16	16⅞-16⅞	10⅞-10⅞	8⅞-8⅞	10⅞-10⅞	16⅞-16⅞	22⅞-25⅞	17⅞-18⅞	6⅞-7⅞

SDR linked deposits: one month 13⅞-13⅞ per cent; three months 13⅞-14 per cent; six months 13¾-14½ per cent; one year 13¾-14⅞ per cent.
ECU linked deposits: one month 13⅞-13⅞ per cent; three months 13⅞-13⅞ per cent; six months 13⅞-14⅞ per cent; one year 12⅞-14⅞ per cent.
Asian $ (closing rates in Singapore): one month 15-16⅞ per cent; three months 16⅞-15¼ per cent; six months 16⅞-16⅞ per cent; one year 15⅞-16⅞ per cent.
Long-term Eurodollar two years 15-16⅞ per cent; three years 16⅞-16⅞ per cent; four years 16¼-19½ per cent; five years 16¼-16½ per cent nominal closing rates.
The following rates were quoted for London dollar certificates of deposit: one month 13.75-15.85 per cent; three months 15.85-16.05 per cent; six months 15.00-16.10 per cent; one year 16.00-16.10 per cent.

CURRENCIES AND GOLD

Dollar advances

Interest rate trends and statements by U.S. officials and economists combined to keep the dollar very firm last week. U.S. money supply figures tended to cause confusion, with the market hoping that the statement by Mr Paul Volcker, chairman of the Federal Reserve Board, would shed a little light on the subject. It seemed to take heart from the indication that the U.S. authorities do not intend to push up interest rates, but was not too pleased to hear Mr Volcker's opinion that the Budget deficit poses a major hazard to financial markets. Dr Henry Kaufman of Salomon Brothers added to the gloom by his comments about the Budget deficit, and against this background Eurodollar and domestic U.S. interest rates firmed.

According to the Bank of England the dollar's trade-weighted index rose to 112.7 from 111.3. Despite the closure of New York on Friday for Lincoln's birthday and for Washington's birthday today the dollar finished the week on a very firm note, rising to DM 2.3850 from DM 2.3440 against the D-mark; to SwFr 1.9125 from SwFr 1.8560 against the Swiss franc; to FFr 6.0425 from FFr 5.9710 in terms of the French franc; and to Y238.25 from Y233.60 against the Japanese yen.

Sterling's trade-weighted index was remarkably steady. It rose to 91.9 on Monday, but then settled at 91.6 where it remained almost throughout, closing unchanged on the week. The pound declined against the dollar, but was strong against the yen and Continental currencies. It fell 1.95 cents to $1.8400, but rose to DM 4.3900 from DM 4.3625; to SwFr 3.5200 from SwFr 3.5075; to FFr 11.1125 from FFr 11.0975; and to Y438 from Y434.

Members of the European Monetary System traded quietly among themselves. The lira improved slightly, while the Belgian franc remained the weakest currency. French interest rates fell throughout the week, but the French franc was again the strongest member.

Gold weakened on firmer U.S. interest rates, falling $5½ to $373½-374½.

THE POUND SPOT AND FORWARD

Feb 12	Day's spread	close	One month	% p.a.	Three months	% p.a.
U.S.	1.8315-1.8475	1.8390-1.8410	0.24-0.34c dis	−1.89	0.78-0.88dis	−1.80
Canada	2.2220-2.2370	2.2390-2.2410	0.15-0.25c dis	−1.07	0.55-0.80dis	−1.39
Nethlnd.	4.79-4.82	4.80¾-4.81¾	1⅜-1⅛c pm	3.43	5⅛-4⅞ pm	4.06
Belgium	74.40-74.80	74.65-74.75	18-38c dis	−4.50	70-90 dis	−4.28
Denmark	14.28-14.36	14.33-14.34	1½-2½ore dis	−1.57	6½-7 dis	−1.74
Ireland	1.2420-1.2490	1.2450-1.2470	0.39-0.50p dis	−4.28	1.22-1.34dis	−4.11
W. Ger.	4.36-4.40	4.38½-4.39½	1⅜-1⅛pf pm	3.76	4⅞-4⅝ pm	4.21
Portugal	127.00-128.00	127.60-127.90	40-160c dis	−9.39	145-400 dis	−9.53
Spain	184.20-185.20	185.00-185.20	5-30c dis	−1.13	70-100 dis	−1.84
Italy	2,330-2,342	2,336½-2,338½	11¼-14½ lira dis	−6.54	42-45 dis	−7.44
Norway	10.96-11.07	11.00-11.02	1¾-¼ore pm	1.36	2-1 pm	0.54
France	11.07-11.13	11.10¼-11.11¼	½-1½c dis	−0.67	2-3 dis	−0.90
Sweden	10.60-10.67	10.64-10.65	¼ore pm-½ dis	−0.07	2¾-2 pm	0.89
Japan	436-440	437½-438½	2.80-2.50y pm	7.28	8.70-8.40 pm	7.81
Austria	30.65-30.80	30.68-30.73	15½-12½gro pm	5.47	42-35 pm	5.01
Switz.	3.50½-3.55½	3.51½-3.52½	2-1½c pm	3.96	5¾-4⅞ pm	5.82

Belgian rate is for convertible francs. Financial franc 82.75-82.85.
Six-month forward dollar 1.55-1.65c dis, 12-month 2.55-2.75c dis.

THE DOLLAR SPOT AND FORWARD

Feb 12	Day's spread	close	One month	% p.a.	Three months	% p.a.
UK†	1.8375-1.8475	1.8390-1.8410	0.24-0.34c dis	−1.89	0.78-0.88dis	−1.80
Ireland†	1.4720-1.4825	1.4735-1.4765	0.35-0.25c pm	2.44	0.92-0.82 pm	2.36
Canada	1.2110-1.2130	1.2125-1.2130	0.02-0.05c pm	0.64	0.17-0.12 pm	0.48
Nethlnd.	2.6030-2.6175	2.6100-2.6150	1.27-1.17c pm	3.60	3.92-3.82 pm	5.92
Belgium	40.53-40.66½	40.61-40.63	2-5c dis	−1.03	19-23 dis	−2.07
Denmark	7.7700-7.8076	7.7900-7.8000	½ore pm-par	0.19	par-½ dis	−0.06
W. Ger.	2.3725-2.3925	2.3845-2.3855	1.12-1.07pf pm	5.51	3.55-3.50 pm	5.91
Portugal	69.15-69.60	69.40-69.60	15-75c dis	−7.77	50-155 dis	−6.76
Spain	100.15-100.65	100.50-100.60	5c pm-5 dis	—	5-20 dis	−0.50
Italy	1,267-1,272½	1,267-1,269	4½-5½ lira dis	−4.60	17-19 dis	−6.66
Norway	5.9700-6.9900	6.9200-5.9930	1.95-1.75ore pm	3.71	3.70-3.40 pm	2.37
France	6.0200-6.0600	6.0400-6.0450	0.80-0.60c pm	1.39	1.50-1.10 pm	0.86
Sweden	5.7700-5.7380	5.7800-5.7900	0.95-0.85ore pm	1.86	4.30-4.10 pm	2.90
Japan	237.25-239.25	238.20-238.30	1.85-1.70y pm	8.94	5.65-5.50 pm	9.35
Austria	16.60-16.77	16.75½-16.76½	10½-3½gro pm	7.16	29½-26½ pm	6.74
Switz.	1.9050-1.9200	1.9120-1.9130	1.30-1.20c pm	7.84	3.70-3.60 pm	7.53

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

FORWARD RATES AGAINST STERLING

	Spot	1 month	3 month	6 month	12 month
Dollar	1.8400	1.8429	1.8483	1.8560	1.8665
D-Mark	4.3900	4.3753	4.3438	4.3020	4.2183
French Franc	11.1125	11.1188	11.1375	11.2048	11.3235
Swiss Franc	3.5200	3.5025	3.4663	3.4254	3.3269
Japanese Yen	438.0	435.3	429.4	422.2	408.6

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU February 12	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	40.7572	41.7132	+2.35	+1.22	±1.5365
Danish Krone	7.91117	9.01075	+1.26	+0.13	±1.6412
German D-Mark	2.40989	2.45088	+1.70	+0.57	±1.1077
French Franc	6.17443	6.21696	+0.69	−0.44	±1.3733
Dutch Guilder	2.66382	2.68632	+0.84	−0.29	±1.5093
Irish Punt	0.684452	0.686235	+1.72	+0.59	±1.6688
Italian Lira	1300.67	1305.97	+0.41	+0.14	±4.1229

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

Sterling/ECU rate for February 12 ...... 0.559532

GOLD

	Feb. 12		Feb. 11	
Gold Bullion (fine ounce)				
Close	$378¼-379¼	(£205½-206)	$380-381	(£205-205½)
Opening	$378-378	(£205¼-205¾)	$384½-385½	(£207½-208)
Morning fixing	$376	(£203.587)	$380	(£203.782)
Afternoon fixing	$377.50	(£205.443)	$380	(£205.405)
Gold Coins				
Krugerrand	$389¼-390¼	(£211¾-212¼)	$388-385	(£211¼-212¼)
1/2 Krugerrand	$200½-201½	(£109-109½)	$206-206	(£110¼-111¼)
1/4 Krugerrand	$108-103	(£56½-56)	$104-105	(£56¼-56¾)
1/10 Krugerrand	$41¾-46¾	(£23¾-25¼)	$49-43	(£23¾-23¼)
Mapleleaf	$390½-391½	(£212½-215)	$393-394	(£218¼-212¾)
New Sovereigns	$92¾-85¼	(£50½-50¾)	$93½-94	(£50½-50¾)
King Sovereigns	$108-106	(£58¾-59¼)	$109-110	(£58¾-59¼)
Victoria Sovs	$108-109	(£58¾-58¼)	$108-110	(£58¾-59¼)
French 20s	$60-100	(£48-54½)	$81-101	(£46¼-54½)
50 pesos Mexico	$470-472	(£255½-256¾)	$475-475	(£253½-256)
100 Cor. Austria	$368-371	(£200¾-201¾)	$371-375½	(£200½-201¾)
$20 Eagles	$507-515	(£275¾-278)	$511-517	(£276-279¼)

OTHER CURRENCIES

Feb. 12	£	$		£ Note Rates
Argentina Peso	18,436-18,456†	10,000-10,050†	Austria	30.65-30.85
Australia Dollar	1.6963-1.6983	0.9223-0.8930	Belgium	82.30-93.30
Brazil Cruzeiro	250.49-261.49	136.07-136.75	Denmark	14.28-14.43
Finland Markka	8.386-8.348	4.5085-4.5315	France	11.07-11.17
Greek Drachma	110.414-115.764	61.33-61.33	Germany	4.37-4.41
Hong Kong Dollar	10.85½-10.87½	5.9090-5.9140	Italy	2310-2376
Iran Rial	150.00*	81.40*	Japan	438-443
Kuwait Dinar (KD)	0.593-0.529	0.2832-0.2954	Netherlands	4.78½-4.89½
Luxembourg Fr.	74.65-74.73	40.61-40.65	Norway	11.00-11.10
Malaysia Dollar	4.2685-4.8725	2.3210-2.3230	Portugal	124-131½
New Zealand Dlr.	2.3285-2.3865	1.2685-1.2633	Spain	184-194
Saudi Arab. Riyal	6.29-6.34	3.4195-3.4215	Sweden	10.60-10.70
Singapore Dollar	3.8875-3.8975	2.1165-2.1185	Switzerland	3.50½-3.54¼
Sth. African Rand	1.8103-1.8125	0.9840-0.9830	United States	1.83½-1.85½
U.A.E. Dirham	6.73-6.81	3.5713-3.5733	Yugoslavia	94.99

† Now one rate. * Selling rate.

CURRENCY MOVEMENTS

Feb.12	Bank of England Index	Morgan Guaranty Changes%
Sterling	91.6	Unavl'ble
U.S. dollar	112.7	"
Canadian dollar	86.4	"
Austrian schilling	115.3	"
Belgian franc	105.9	"
Danish kroner	85.4	"
Deutsche mark	130.9	"
Swiss franc	131.0	"
Guilder	113.6	"
French franc	79.7	"
Lira	55.1	"
Yen	137.1	"

Based on trade weighted changes from Washington agreement December, 1971. Bank of England Index (base average 1975=100).

CURRENCY RATES

Feb. 12	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.615749	0.559532
U.S. $	18	1.12950	1.08590
Canadian $	14.87	1.35831	1.24452
Austria Sch.	6¾	18.8471	17.1631
Belgian F.	14	45.8510	41.7132
Danish Kr.	11	8.76988	8.01073
D mark	7½	2.69034	2.45089
Guilder	8½	2.93139	2.68632
French Fr.	9½	6.82743	6.21686
Lira	19	1435.45	1305.97
Yen	6¼	969.244	243.190
Norwgn. Kr.	9	6.74956	6.14207
Spanish Pts.	8	113.502	103.154
Swedish Kr.	11	6.32273	5.94756
Swiss Fr.	6	2.13993	1.96788
Greek Dr'ch.	20½	—	69.9391

EXCHANGE CROSS RATES

Feb. 12	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1	1.840	4.390	438.0	11.113	5.520	4.813	2339.	2.240	74.70
U.S. Dollar	0.543	1.	2.385	258.0	6.039	1.913	2.616	1270.	1.217	40.60
Deutschemark	0.228	0.419	1.	99.77	2.551	0.808	1.096	539.8	0.510	17.08
Japanese Yen 1,000	2.283	4.201	10.08	1000.	25.37	8.057	10.99	5337.	5.114	170.6
French Franc 10	0.900	1.656	3.951	394.2	10.	3.168	4.331	2103.	2.016	67.29
Swiss Franc	0.284	0.523	1.247	124.4	3.157	1.	1.367	664.1	0.636	21.22
Dutch Guilder	0.208	0.382	0.912	91.01	2.309	0.731	1.	485.7	0.465	15.52
Italian Lira 1,000	0.428	0.787	1.878	187.4	4.754	1.506	2.059	1000.	0.958	31.96
Canadian Dollar	0.446	0.821	1.960	195.5	4.961	1.571	2.148	1044.	1.	33.35
Belgian Franc 100	1.339	2.463	5.877	586.5	14.88	4.718	6.443	3129.	2.999	100.

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1981/2 High	Low	Stock	Closing price p	+ or −	Div.	Times covered	Gross yield	P/E ratio
430	F.P.	19/2	30	29½	Asset Special 10p	29½					
100	F.P.	12/2	99	96	Baillie Gifford Jt Tst.	96					
100	F.P.	—	37	36	Do. Warrants	36	−1				
170	F.P.	8/4	340	315	♦Eldridge Pope £1	340		9.5	8.9	4.0	15.5
80	F.P.	31/1	84	81	♦Equipo 10p	82		bd3.1	2.1	9.4	12.6
—	F.P.	—	10	7	F & C Enter. Warrants	7					
150	F.P.	4/1	163	136	♦Hayters £1	160					
150	F.P.	—	90	89	♦Imm. Sus. Sys. 10p	89	−1	10.5	6	9.9	
60	F.P.	—	53	48	♦Malaysian Tin 5p	48					10.5
‡‡	F.P.	—	13½	4½	Peek Hldgs.	11½					9.1
115	F.P.	29/1	151	117	Spayhawk 10p	131	+2	bd7.0	3.5	7.5	5.9
—	F.P.	—	5	3½	Viners 1p	4					
45	F.P.	19/2	53	47	♦York Mount	53	+2	b4.51	3.9	12.3	9.3

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1981/2 High	Low	Stock	Closing price £	+ or −
£100	£25	30/7	27½	25¼	Barclays 15% Ln. Stk.	27	−¼
‡‡	F.P.	12/3	97	86	Habitat 9% Conv. Uns. Ln. '98-2001	97	
—	F.P.	26/2	112	109	Haslemere Est. 9pc Conv Uns Ln. 2001/06	109½	+1
‡91½	£10	1/4	11¼	10¼	Mid-Kent Water 9% Red. Prf. 1987	11	
£100	F.P.	—	100¼	99½	Nat'wide Bldg. Society 16¼% (17/1/83)	100¼	+¼
£100	F.P.	—	100¼	100	Do. 15⅞% (7/2/83)	100⅛	+⅛
—	F.P.	—	122	105	Viners 10% Cnv. Loan 1988	122	+7

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1981/2 High	Low	Stock	Closing price p	+ or −
9.5A$	F.P.	—	244	200	CSR A$1	202	+2
13	F.P.	26/1	19	16	♦Carlton Real Ests. 10p	18½	
140	Nil	19/2	24pm	15pm	Davy Corp.	22pm	−2
55	F.P.	16/2	115	105	Glass Glover	114	
R2	Nil	—	30pm	30pm	Griqualand 5 cts.	30pm	
110	F.P.	29/1	99	60	Kwik-Save 10p	90	
9.30	Nil	—	61pm	47pm	Lovell (Y.J.)	47pm	
180	F.P.	11/3	25/3	226	IMEPO	224	−2
95	Nil	19/3	19pm	10pm	Smith St. Aubyn	16pm	+1
45	Nil	26/2	—	5pm	Steaua Romana (Brit.)	4pm	−1
50	F.P.	19/1	19/2	58	Wearwell 5p	55	+1

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. ♦ Figures or report awaited. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. †† Reintroduced. ¶¶ Issued in connection with reorganisation, merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Dealings under special Rule. ♦ Unlisted Securities Market. ‡‡ London Listing. † Effective issue price after scrip. † Formerly dealt in under Rule 163(2) (a).

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest %	Interest payable	Minimum sum £	Life of bond Year
Barnsley (0226 203232)	14½	½-year	1,000	3
Knowsley (051-548 6555)	14½	½-year	1,000	4-5

FT UNIT TRUST INFORMATION SERVICE

OFFSHORE & OVERSEAS FUNDS

Adig Investment
Alliance International Dollar Reserves
Allsey Fund Management Limited
Allen Harvey & Ross Inv. Mgt. (C.I.)
Arbuthnot Securities (C.I.) Ltd.
B.I.A. Bond Investments AG
Bank of America International S.A.
Barbican Managers (Jersey) Ltd.
Barclays Unicorn International
Bishopsgate Commodity Ser. Ltd.
Bridge Management Ltd.
Britannia Intl. Investment Mngmt. Ltd.
Brown Shipley Tst. Co. (Jersey) Ltd.
Butterfield Management Co. Ltd.
CAL Investments (IoM) Ltd.
Capital Asset Managers Ltd.
Capital International Fund S.A.
Central Assets Management Ltd.
Charterhouse Japhet
Chrysler Commodity Fund
Cornhill Ins. (Guernsey) Ltd.
Cortex International
Craigmount Fixed Int. Mngrs. (Jersey)
DWS Deutsche Ges. F. Wertpapiersp
Delta Group
Deutscher Investment-Trust
Dreyfus Intercontinental Inv. Fd.
Duncan Lawrie Inv. Mgt. Ltd.
Emson & Dudley Tst. Mgt. Jrsy. Ltd.
The English Association
Eurobond Holdings N.V.
S.G. Europe Obligations S.A.
Eurotax Investments Ltd.
F & C Mgmt. Ltd. Inv. Advisers
Fidelity International (C.I.) Ltd.
Fleming Japan Fund S.A.
Framlington Trust Investment—GmbH
Free World Fund Ltd.
G.T. Management (U.K.) Ltd.
Garmore Invest. Ltd. Ldn. Agts.
Gartmore Fund Managers (C.I.) Ltd.
Gartmore Fund Managers (IOM) (a)
Gartmore Invest. Mngt. Ltd.
Assicurazioni GENERALI S.p.A.
Granville Management Limited
Guinness Mahon Fd. Mngrs. (Guernsey)
Hambro Pacific Fund Mngmt. Ltd.
Hambros Fd. Mgrs. (C.I.) Ltd.
Henderson Admin. (Guernsey) Ltd.
Henderson Baring Group
Hill-Samuel & Co. (Guernsey) Ltd.
Hill Samuel Investment Mgmt. Intnl.
I.C. Trust Managers Ltd.
IBF Management Services Inc.
N.V. Interbeheer
International Bond Trust
International Pacific Inv. Mgmt. Ltd.
Investment Advisors, Inc.
Invicta Investment Management
Jardine Fleming & Co. Ltd.
Leopold Joseph & Sons (Guernsey)
King & Shaxson Mgrs.
Kleinwort Benson Group
Korea International Trust
The Korea Trust
Lazard Brothers & Co. (Jersey) Ltd.
Lloyds Bk. (C.I.) U/T Mgrs.
Lloyds Bank International, Geneva
Lloyds Bank International, Guernsey
Lloyds Int. Management S.A.
M & G Group
Management International Ltd.
Midland Bank Tst. Corp. (Jersey) Ltd.
Samuel Montagu Ldn. Agents
Minerals, Oils Res. Shrs. Fd. Inc.
Murray, Johnstone (Inv. Adviser)
Nat. Westminster Jersey Fd. Mgrs. Ltd.
Negit S.A.
N.E.L. International Ltd.
Pacific Basin Fund
Quilter/Hekadol Commodities
RBC Investment Managers Ltd.
Rothschild Asset Management (C.I.)
Royal Trust (C.I.) Fd. Mgt. Ltd.
Save & Prosper International
Schroder Life Group
Schroder Mngt. Services (Jersey) Ltd.
J. Henry Schroder Wagg & Co. Ltd.
Schlesinger Int. Mngt. Ltd.
Security Pacific Investment Mngt. Ltd.
Sentry Assurance International Ltd.
Signal Life Assurance Co. Ltd.
Singer & Friedlander Ldn. Agents
Stronghold Management Limited
Strategic Metal Trust Mngrs. Ltd.
Sunderland (Jersey) Ltd.
TSB Trust Funds (C.I.)
Tokyo Pacific Holdings N.V.
Tokyo Pacific Hldgs. (Seaboard) N.V.
Tyndall Group
Union-Investment-Gesellschaft mbH
V.C.A. Financial Management Ltd.
Vanbrugh Fund Management Intl. Ltd.
S. G. Warburg & Co. Ltd.
Warburg Invest. Mngt. Jrsy. Ltd.
Wardley Investment Services Ltd.
World Wide Growth Management
Wren Commodity Management Ltd.

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NOTES

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AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

Lloyds Bk. Unit Tst. Mngrs. Ltd. (a)
Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1288

Balanced	78.8	80.7	-0.1	4.47
Do. (Accum.)	124.5	132.7	-0.7	4.47
Energy Int.	39.1	[illegible]	+0.1	2.39
Do. (Accum.)	40.1	[illegible]	.....	2.39
Extra Income	95.4	[illegible]	.....	8.41
Do. (Accum.)	93.1	[illegible]	.....	8.31
Income	102.8	[illegible]	-0.3	6.73
Do. (Accum.)	169.3	[illegible]	-0.5	6.73
Int. Technology	77.4	[illegible]	.....	0.46
Do. (Accum.)	78.8	[illegible]	.....	0.46
N. American & Gen.	46.7	[illegible]	+0.3	1.32
Do. (Accum.)	48.0	[illegible]	+0.3	1.32
Pacific Basin	46.7	[illegible]	-0.3	0.64
Do. (Accum.)	47.3	[illegible]	-0.3	0.64
Small Cos. & Recy.	59.5	[illegible]	-0.4	2.84
Do. (Accum.)	62.4	[illegible]	-0.4	2.84
Worldwide Grwth.	86.7	[illegible]	-0.4	2.24
Do. (Accum.)	116.6	[illegible]	-0.5	2.24

Lloyd's Life Unit Tst. Mngrs. Ltd.
2, St. Mary Axe, EC3A 8BP. 01-623 6114

Equity Accum. (2)	282.9	297.8	.....	4.00

Local Authorities' Mutual Invest. Tst.*
77, London Wall, EC2N 1DB. 01-588 1815

Property Fd. Jan. 31	158.50	.....	6.83
Wider Fd. Jan 31	288.65	.....	5.10
Narrower Fd. Jan. 31	73.40	.....	11.90

*Unauthorised. Available only to Local Authorities.

M & G Group (y)(c)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588

American	67.8	[illegible]	[illegible]	2.60
(Accum. Units)	74.3	[illegible]	+0.[illegible]	2.60
American Recovery	77.6	[illegible]	[illegible]	1.59
(Accum. Units)	80.8	[illegible]	[illegible]	1.59
Australasian	73.4	[illegible]	[illegible]	1.65
(Accum. Units)	77.1	[illegible]	[illegible]	1.65
Commodity	123.0	[illegible]	[illegible]	3.37
(Accum. Units)	149.1	[illegible]	[illegible]	3.37
Compound Growth	183.9	[illegible]	[illegible]	3.06
Conversion Growth	129.2	[illegible]	[illegible]	2.72
Conversion Income	85.5	[illegible]	[illegible]	8.74
Dividend	143.2	[illegible]	+2.3	8.38
(Accum. Units)	340.6	[illegible]	+[illegible]	8.38

Save & Prosper Group—Cont.

High Income Funds

Gilt & Fxd. Int. Inc.	47.0	49.9	-0.1	12.56
High Return	69.4	72.28	-0.1	9.07
Income	45.3	48.21	.....	9.51

U.K. Funds

Gilt & Fxd. Int. Grth.	52.5	53.3	-0.2	4.86
UK Equity	64.0	69.12	-0.1	4.03

Overseas Funds (z)

Europe	77.3	82.9	.....	2.05
Japan	125.1	134.6	-2.1	0.10
S.E. Asia	77.2	83.1	-0.5	0.71
U.S.	114.5	123.2	+0.6	0.79

Sector Funds

Commodity	120.6	129.8	-0.8	3.26
Energy	118.5	127.5	+0.7	1.54
Exploration Fund (z)	32.7	35.1	-0.2	0.25
Financial Secs.	102.1	109.9	.....	2.73
New Technology (z)	46.7	50.2	-0.1	0.25

Fixed-Interest Fund (z)

Intl. Bond Fd.	61.1	65.3	+0.2	2.26

Exempt Funds

Exempt Income*	271.9	293.7	.....	7.04
Exempt Intl.*	359.1	394.5	.....	0.91

Prices at Feb 10. Next sub day Feb 24.

Scottish Securities Ltd.

Scotbits	49.2	52.1	-0.1	3.79
Scotyield	56.5	60.8	-0.3	7.19
Scotshares	84.4	91.2	-0.3	4.74

Schroder Unit Trust Managers Ltd.
48, St. Martins Lane, WC2. Dealings 0705 27733

Capital	170.7	[illegible]	[illegible]	2.75
(Accum. Units)	224.0	[illegible]	[illegible]	2.75
Income Fnd.	254.1	[illegible]	[illegible]	7.10
(Accum. Units)	464.6	[illegible]	[illegible]	7.08
Gen.	142.2	[illegible]	[illegible]	3.83
(Accum. Units)	197.4	[illegible]	[illegible]	3.83
Europe	22.8	[illegible]	[illegible]	2.90
(Accum. Units)	27.5	[illegible]	[illegible]	2.90
Smaller Co.'s	159.9	[illegible]	[illegible]	2.40
American	51.5	[illegible]	[illegible]	0.52
(Accum. Units)	51.5	[illegible]	[illegible]	0.52
Tokyo	55.1	[illegible]	[illegible]	0.37
(Accum. Units)	55.1	[illegible]	[illegible]	0.37
Gilt & Fixed	42.9	[illegible]	-0.2	12.35

[illegible]

INSURANCE PROPERTY BONDS

[illegible]

NOTES

[illegible]

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

Interest Due		Stock	Price £	Last xd	Yield Int.	Yield Red.
		"Shorts" (Lives up to Five Years)				
16S	16Mar	Treasury 14pc '82‡‡	99¾xd	10.2	14.00	14.39
15O	15Jun	Treas. Variable '82‡‡	99⅞	9.11	14.09	14.09
5Ja	5Jul	Treasury 8¾pc '82	98	1.12	8.42	13.78
22Mar	22S	Exch. 9¼pc 1982	97¼	17.8	9.53	14.43
5Jul	5Ja	Exch. 8¼pc 1983	96	1.12	9.11	13.61
21Aug	21F	Exch. 3pc 1983	93¼xd	15.1	3.22	10.16
17S	17Mar	Treasury 12pc 1983‡‡	98xd	11.9	12.24	14.14
24N	24May	Treas. Variable '83 ‡‡	99⅝	13.10	14.29	14.29
18Ja	18Jul	Treasury 9½pc '83	95⅝	14.12	9.67	12.71
22May	22N	Exch. 13½pc '83	99⅞	16.10	13.59	13.84
12Jun	12D	Exch. 10pc 1983	94⅞	5.11	10.54	13.20
15Jul	15Ja	Funding 5½pc '82-84‡‡	89⅝	9.12	6.13	11.61
20Aug	20F	Exch. 11¼pc 1984	95¾xd	14.1	11.75	13.75
22N	22May	Exchequer 14pc 1984	99⅝	16.10	14.09	14.30
19D	19Jun	Exch. 3pc 1984	83⅝	12.11	3.60	11.27
26Mar	26S	Treasury 12pc 1984	94⅛	20.8	12.75	14.75
22Aug	22F	Treasury 15pc 1985	100¼xd	12.1	14.96	14.98
22S	22Mar	Exch. 12pc Cnv. '85	93	17.8	12.90	14.98
21N	21My	Treasury 3pc 1985	77¼	15.10	3.88	11.56
15Jan	15Jul	Treasury 12pc 1985	99⅞	9.12	12.65	15.01
22May	22N	Exch. 12¼pc 1985	92	16.10	13.32	15.07
25 Aug.	25F	Exch. 11½pc '86	90¼xd	19.1	13.02	15.07
19N	19May	Treasury 3pc 1986	73	13.10	4.33	11.13
12D	12Jun	Treasury 12pc '86	89¼	5.11	13.37	15.30
10Ja	10Jul	Treasury 8¼pc '84-86‡‡	82⅜	4.12	10.32	14.00
29Apr	29Oct	Exch. 14pc 1986	95⅛	—	14.72	15.47
22Jul	22Jan	Exch. 13¼pc 1987	93	16.12	14.25	15.31
22Jul	22Jan	Do. A (£20pd)●	20⅛	—	14.20	15.10
		Five to Fifteen Years				
1N	1May	Funding 6½pc '85-87‡‡	77½	25.9	8.60	13.18
14Ja.	14Jul	Treasury 3pc 1987	64¼	—	4.66	12.16
3 May	3N	Treas. 12pc 1987	90¼	29.9	13.74	15.38
26Jul	26Ja	Treasury 7¾pc '85-88‡‡	76¼	21.12	10.22	13.84
1Ja	1Jul	Transport 3pc '78-88	62½	25.11	4.86	11.67
22Aug.	22F	Treasury 11½pc 1987	83½xd	16.1	13.72	15.34
15Ap	15Oct	Treasury 5pc '86-89	65	8.9	7.98	12.59
15Jul.	15Ja.	Treasury 13pc 1990‡‡	90¼	9.12	14.50	15.29
22Sept	22Mar	Exch. 12½pc 1990	91¼	17.8	14.41	15.41
15D	15Jun	Treasury 8¼pc '87-90‡‡	73⅝	9.11	11.38	13.92
10Jul	10Ja	Treasury 11¾pc 1991	83¼	9.12	14.23	15.39
5Oct.	5Ap.	Funding 5¾pc '87-91‡‡	62⅝	1.9	9.50	13.35
25Ap.	25Oct.	Exch. 11pc 1991	82⅝	18.9	13.93	15.20
22Jul.	22Ja.	Treasury 12¾pc '92‡‡	83	16.12	14.63	15.29
21Aug.	21Fb.	Treasury 10pc 1992	74½xd	15.1	13.35	14.90
25Fb.	25Aug.	Exch. 12¼pc '92	84½xd	19.1	14.50	15.28
22Mar.	22S	Exchequer 13½pc '92	95⅜	17.8	14.94	15.36
14Ja.	14Jul.	Treasury 12½pc '93‡‡	86⅜	8.12	14.66	15.26
15Mar.	15S	Funding 6pc 1993‡‡	56⅞xd	6.8	10.46	13.34
23May	23N	Treasury 13¾pc 1993‡‡	94¼	19.10	15.01	15.29
1S	1Mar	Treasury 14½pc '94‡‡	95½xd	25.1	15.02	15.23
27O	27Ap	Exchequer 13½pc 1994	93⅛	21.9	15.06	15.39
22F	22Aug	Exch. 12½pc 1994	84¼xd	18.1	14.79	15.34
17May	17N	Treasury 9pc '94‡‡	71½	12.10	12.99	14.29
25Jul	25Ja	Treasury 12pc '95	82⅜	21.12	14.69	15.28
1N	1May	Gas 3pc '90/95	45½	25.9	6.72	11.08
21Ja	21Jul	Exch. 10¼pc 1995	74	15.12	13.98	14.91
15May	15N	Treasury 12¾pc '95‡‡	90	9.10	14.69	15.03
22Jul.	22Ja.	Treas. 14pc '96	93⅜	16.12	15.14	15.32
15S	15Mar	Treasury 9pc '92/96‡‡	67½xd	6.8	13.15	14.27
3N	3May	Treasury 15¼pc '96‡‡	104	28.9	15.30	15.30
15N	15May	Exchequer 13¼pc '96‡‡	92⅞	9.10	14.80	15.04
16Mar.	16S	Treas. 2pc I.L. '96‡‡	93½xd	10.2	2.45	3.38
1Ap	1Oct	Redemption 3pc 1986-96	45¼	25.8	6.72	10.48
22Jul	22Ja	Treasury 13¼pc '97‡‡	90¼	16.12	14.80	15.02
		Over Fifteen Years				
21Aug	21F	Exchequer 10½pc 1997	74½xd	15.1	14.66	14.72
1Mar	1S	Treasury 8¾pc 1997‡‡	66½xd	25.1	13.12	14.08
27Ap	27Oct	Exch. 15pc 1997	102⅛	—	15.32	15.33
1N	1May	Treasury 6¾pc '95-98‡‡	50¼	25.9	11.89	13.21
30Mar	30S	Treas. 15½pc '98‡‡	107⅜	21.8	15.29	15.25
20May	20N	Exch. 12pc 1998	85⅛	14.10	14.59	14.88
15Jul	15Ja	Treasury 9½pc 1999‡‡	71	9.12	13.53	14.18
26S	26Mar	Exch. 12¼pc 1999	83¼	21.8	14.57	14.94
19N	19May	Treasury 10½pc 1999	76¼	13.10	14.15	14.62
14Ja	14Jul	Treas. 13pc 2000	89	8.12	14.59	14.95
22N	22May	Treas. 14pc '98-01	96	15.10	15.20	15.25

Undated

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

Interest Due		Stock	Price £	Last xd	Yield Int.	Yield Red.
15J	15D	Do. 7¼pc '83-86	78	16.11	9.76	14.98
1A	1O	S. Rhod. 2½pc Non-Ass.	140	5.86	—	—
10M	10S	Do. 3½pc 80-65 Assd.	66	10.8	5.42	16.80
7F	7Ag	Do. 4½pc 87-92 Assd.	35xd	7.1	12.36	19.59
15Ap	15O	Zimbabwe Ann (£100pd)	354	15.9	—	24.55

LOANS

Interest Due		Stock	Price £	Last xd	Yield Int.	Yield Red.
		Public Board and Ind.				
1Ja	1Jl	Agric. Mt. 5pc '59-89	62½	1.12	8.07	13.21
1M	1S	Met. Wtr. 3pc 'B'	25¼xd	3.8	11.35	13.79
30J	31D	U.S.M.C. 9pc 1982	103	31.12	8.74	—
30J	31D	Do. without Warnts.	98½	31.12	9.33	—
		Financial				
20J	20D	FFI 14pc '83	98¼	20.5	14.25	15.07
31M	30S	FFI(UK Fa)5½pcDb. '80-2	96¼	28.8	5.81	15.30
31M	30N	Do. 6¼pcDb. '81-84	82½	30.11	7.71	14.81
11Ja	11J	Do. 10¼pc Uns.Ln. '86	86½	7.12	12.31	15.70
11Ja	11J	Do. 11pc Uns.Ln. '88	83	7.12	13.46	15.98
11Ja	11J	Do. 11¾pc Uns.Ln. '90	83	11.1	14.40	15.90
14Mr.	14S	Do. 12½pc Un. Ln. 1992	88½	28.8	14.98	15.80
30J	31D	Do. 7¼pcADeb. '89-92	58	31.12	12.73	15.59
31M	30S	Do. 7½pcADeb. '91-94	57½	28.8	13.22	16.40
31M	30S	Do. 9pc 'A' '91-94	66½	28.8	14.30	15.88
28F	31A	Do. 8¾pcLn. '92-97	60½xd	25.1	14.63	15.78
		Building Societies				
—		Nat'wide 14¼pc 11.8.82	99½	—	14.82	—
—		Do. 14¾pc 25.8.82	99¼	—	14.79	—
—		Do. 15¾pc 29.9.82	99⅞	—	15.39	—
—		Do. 16¼pc 27.10.82	100½	—	16.17	—
—		Do. 15¾pc 24.11.82	99½	—	15.45	—
—		Do. 15¼pc 13.12.82	99¼	—	15.29	—

FOREIGN BONDS & RAILS

Interest Due		Stock	Price £	Last xd	Div % Gross	Red. Yield
—		Antofagasta Rly	65	8.71	—	—
1Ja	1J	Do. 5pc Pref.	55	28.8	—	—
1Ja	1J	Chilean Mixed	98	24.12	3	13.1
—		Chinese 4½pc 1898	15	—	—	—
—		Do. 5pc 1912	11½	—	—	—
—		Do. 5pc 1913	11	—	—	—
—		Do. 5pc '25 Boxer	10	—	—	—
1M	1N	Greek 7pc Ass.	44	2.11	3½	18.13
1F	1A	Do. 6pc 28 Stb. Ass.	42	3.8	3	17.15

AMERICANS

CANADIANS

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

CHEMICALS, PLASTICS—Cont.

DRAPERY AND STORES

ELECTRICALS

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

LEISURE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCE

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

Dividends Paid		Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
Nov.	May	Falcon Rh.50c	90	1.5	Q25c	10.3	20.7
Aug.		Roan Cons. K4	80	28.8	40Q.13	5.0	—
Nov.	May	Wankie Col. Rh.1	24	10.4	Q3c	1.2	9.3
May	Oct.	Zam.Cpr.SBD0.24	20	780	—	—	—

Australian

	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
—	Acmex 50c	46	—	Q4c	—	5.4
—	ACM 20c	16	—	—	—	—
—	Argosy Gold NL 25c	5	—	—	—	—

Tins

Copper

Miscellaneous

NOTES

REGIONAL MARKETS

			IRISH		
Albany Inv. 20p	42		Conv. 9%	£94$\frac{3}{4}$	
Bertrams	17#		Nat. 9$\frac{1}{4}$%	£65	
Bdg'wtr. Est. 50p	459		Fin. 13% 97/02	£73$\frac{3}{4}$	
Craig & Rose £1	£12$\frac{3}{4}$		Alliance Gas	70	
Finlay Pkg. 5p	26		[illegible]	215	
Graig Ship. £1	£22		Carroll (P.J.)	74	
Higsons Brew	68		Concrete Prods.	98	
Holt (Jos) 25p	555		Heiton (Hldgs.)	23	
I.O.M. Stm. £1	190	-2	Irish Ropes	37	
Pearce (C. H.)	£20$\frac{1}{2}$		Jacob	60	
Peel Mills	[illegible]		T.M.G.	13	
Sheff. Refrsbmt	87$\frac{1}{2}$		Unidare	53	
Sindall (Wm.)	200				

OPTIONS

3-month Call Rates

Industrials					
Allied-Lyons	8	House of Fraser	15	Utd. Drapery	7
BSC Intl.	15	I.C.I.	24	Vickers	16
B.S.R.	8$\frac{1}{2}$	"Imps"	8	Woolworths	5
Babcock	20	I.C.L.	5$\frac{1}{2}$		
Barclays Bank	42	Ladbroke	15	**Property**	
Beechams	21	Legal & Gen.	19	Brit. Land	7$\frac{1}{2}$
Blue Circle	48	Lex Service	18	Cap. Counties	16
Boots	19	Lloyds Bank	42	Land Secs.	28
Bowaters	24	"Lots"	6$\frac{1}{2}$	MEPC	20
Brit. Aerospace	17	London Brick	7	Peachey	14
B.A.T.	30	Lucas Inds.	20	Samuel Props.	11
Brown (J.)	7	"Mams"	12	Town & City	3$\frac{1}{2}$
Burton Ord.	15	Mrks. & Spncr	12		
Cadburys	9	Midland Bank	30	**Oils**	
Courtaulds	8	N.E.I.	9	Brit. Petroleum	26
Debenhams	7	Nat. West. Bank	38	Burmah Oil	10
Distillers	15	P & O Dfd.	14	Charterhall	6
Dunlop	6$\frac{1}{2}$	Plessey	32	KCA	14
Eagle Star	30	Racal Elect.	35	Premier	6
F.N.F.C.	4	R.H.M.	6$\frac{1}{2}$	Shell	30
Gen. Accident	23	Rank Org. Ord.	20	Tricentrol	22
Gen. Electric	65	Reed Intnl.	26	Ultramar	38
Glaxo	42	Sears	6		
Grand Met.	17	Tesco	5$\frac{1}{2}$	**Mines**	
G.U.S. 'A'	45	Thorn EMI	42	Charter Cons.	26
Guardian	25	Trust Houses	11	Cons. Gold	45
G.K.N.	15	Tube Invest.	25	Lonrho	7
Hawker Sidd	30	Turner & Newall	11	Rio T. Zinc	42
		Unilever	55		

"Recent Issues" and "Rights" Page 30

FINANCIAL TIMES

Monday February 15 1982

Labour plans education reform

BY ROBIN PAULEY

THE LABOUR PARTY has followed the Conservatives in launching proposals to remove control of education expenditure from local authorities.

Education accounts for more than half of all local authority current expenditure and will cost more than £9bn (at 1980 prices) in 1981-82. It is the major service of shire counties, metropolitan districts and outer London boroughs and represents the lion's share of all domestic and non-domestic rate bills.

Mr Neil Kinnock, the Opposition's education spokesman, yesterday advocated the complete reform of education control based on setting minimum national standards financed with specific grants. Five standards would be set for:

● Under-five provision (every education authority to provide enough places for 80 per cent of three to five-year-olds;
● Books;
● Laboratory equipment and workshop materials;
● Staffing levels, subject by subject;
● In-service training (at least one in 20 of all teachers to be under new training at any time).

These national minimum standards would be set and controlled by a new body, all of whose members would be nominated by the secretary of state. They would include local authority members, teachers, education inspectors, and representatives of interest groups, such as educational publishers.

Although control of education finance would be removed from councils they would stay in control of administering the service, and any council wanting more than the minimum standard in any or all categories could raise the extra cost through the rates. Any council not reaching the minimum standard would not get the relevant grant. An increased number of inspectors would make random checks on standards.

The plans are certain to create uproar among all education authorities, but Mr Kinnock insists that he is only planning what has long been Labour Party policy, although he admits he will have to persuade the party to put it into the next manifesto.

Mr Kinnock did not refer to teachers' salaries, but it is inconceivable that his plans could, or would be introduced without bringing control and financing of pay to the centre.

The Conservative Party is working equally hard towards greater centralisation of education expenditure, not least because it would take the most expensive and sensitive item out of rate bills. However, it is not clear whether Tory plans could be enacted before the General Election.

The Government's Green Paper on alternatives to domestic rates contains an education department appendix on options for education, including a separate block grant. This paper is now being expanded in detail and with urgency. The Environment Department and Treasury regard the ideas favourably, and, as the Green Paper shows, there is no hope of abolishing domestic rates.

Ministers are looking for an attractive political initiative which will cut rate bills. But it is unlikely that the Tory option would be a 100 per cent grant, so it would be a less centralist solution than Mr Kinnock's.

Mr Kinnock insists that the present system is not working, and centralisation is the only answer. Some local authorities have cut education spending so drastically that there is now a serious shortage of books and equipment—also a subject of mounting concern among department officials.

More than £100m would need to be spent to restore provision in this category alone to 1978-79 levels, Mr Kinnock said.

W. German TU housing group sacks chairman

By Kevin Done in Frankfurt

THE CHAIRMAN and two members of the seven-man board of Neue Heimat, the biggest housing development company in Western Europe, have been dismissed after allegations that they used the West German trade union-owned company to promote their private business interests.

Three other board members have been suspended until an independent inquiry has been completed into the affair, which has deeply embarrassed the trade union movement in the Federal Republic.

Herr Albert Vietor, 59, chairman of Neue Heimat since 1963, will be replaced immediately by Dr Diether Hoffmann, managing director of the trade union-owned Bank für Gemeinwirtschaft, ninth largest bank in West Germany.

The other two to be dismissed are Herr Harro Iden and Herr Wolfgang Vormbeck.

The special meetings of the Neue Heimat supervisory boards, both chaired by Herr Heinz Oskar Vetter, head of the Deutsche Gewerkschaftsbund, the West German trade union federation, were held at the weekend as new allegations emerged that leading trade unionists were themselves involved through Neue Heimat in property investments in West Berlin.

Herr Vetter said at the weekend that a number of trade union leaders, himself included, invested in housing development schemes in the city under the terms of West Berlin development laws, which allow such investments to be claimed as tax allowances.

Herr Eugen Loderer, head of IG Metall, West Germany's most powerful trade union, also admitted to having made such investments four years ago, but said they were legitimate investments open to all members of the public.

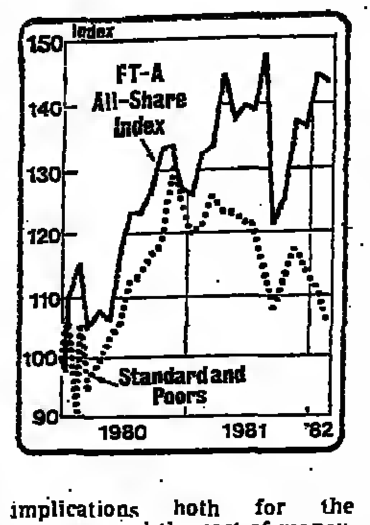
The unions have been deeply embarrassed since allegations about the private property interests of Neue Heimat board members first appeared in the news magazine Der Spiegel last week.

The West German unions have widespread business interests, including not only Neue Heimat, and the BfG, but also Volksfürsorge, one of the biggest insurance groups, and Co Op AG, one of the largest chains of food retailers and supermarkets.

The revelations about far-reaching private property interests built up by Herr Vietor and some other Neue Heimat board members have come as a heavy personal blow for Herr Vetter, due to retire as chairman of the trade union federation in May.

THE LEX COLUMN

The Bundesbank treads softly



The more flexible approach to U.S. monetary growth taken by Mr Paul Volcker before Congress last week must have been as welcome to the policy makers of Bonn and Frankfurt as they were to Wall Street. West Germany, after all, is threatened with the kind of confrontation between budgetary and monetary policy which already characterises relations between the White House and the Federal Reserve.

Bonn's shaky coalition government has been leaning heavily on the Bundesbank to take a more relaxed line on the defence of the D-mark and to concentrate on stimulating a stagnant economy through a progressive reduction in interest rates. The coalition is roughly the same distance from an election as Mrs Thatcher and is deeply embarrassed by a level of unemployment which has doubled to 2m in little over a year.

Compliance

The government itself accepts that Bundesbank compliance in reducing interest rates would be far more effective in bringing about a recovery in the economy than the modest reflationary programme unveiled in Bonn earlier this month.

The Bundesbank is already co-operating as far as it dare. Like the Bank of England, it has signalled its willingness to attempt an emancipation of domestic rates from the tyranny of the Federal Reserve. The German central bank certainly has more room for manoeuvre than it did a year ago. The current account is moving towards balance and the Bundesbank's president predicted last week that it might show a small surplus in 1982 after last year's DM 17.5bn deficit.

This is a slightly more optimistic analysis than that provided by most independent German economists. It relies heavily on the continued weakness of oil prices and on some improvement in the purchasing power parity of the D-mark.

The Bundesbank's easier monetary policy has been counteracted—or contradicted—by support for the D-mark on the foreign exchanges. But since early October, when the Bundesbank took the first step towards bringing its key special Lombard rate down from 12 per cent to the present 10½ per cent, the D-mark has depreciated by 6 per cent against the dollar.

Recently the intervention has become less determined, with implications both for the currency and the cost of money. The weakness of the oil price—and of commodity prices in general — gives the Bundesbank more leeway to allow the mark to ease; the spot oil price must be watched nearly as carefully as the Federal Funds rate.

Nevertheless, like other European central banks, the Bundesbank is counting the cost of its recent policy in terms of a high domestic inflation rate — currently running at 6.3 per cent —and the impact on its own reserves position. The bank's net foreign exchange reserves fell by over DM2bn between the end of last year, and the first week in February.

As in 1981, the West German economy is unlikely to receive any help at all from the domestic sector this year. The savings rate is stubbornly running at a very high level of around 15 per cent, and the Government's economic programme is unlikely to reverse the declining trend in real private sector capital investment.

Foreign orders

So forecasts that the West German economy will attain a real growth rate of around 1.5 per cent this year rest heavily on a continuing increase in foreign orders. The Bundesbank will clearly consider the export competitiveness of German industry when it determines interest rate policy. It also needs to worry about the financing of a substantial budget deficit.

In contrast to the UK, which appears to be running near its PSBR target, West Germany is in danger of overshooting by a substantial margin. The Government's revised economic programme has cast even more doubt over a projected net Federal borrowing requirement of DM 27.8bn for 1982.

Many economists are expecting the figure to top DM30bn. This would still be below last year's deficit of almost DM40bn but the Federal Government is likely to finance a much smaller proportion through Saudi Arabia this year—again, partly as a consequence of the lower real oil price—and local authorities are not projecting the same gratifying fall in their own net financing requirements. So the supply pressure on Germany's domestic capital markets could be just as great as in 1981. The German public sector has relied heavily on short-term financing over the past two years and 1982 will see some bunching of redemptions in these instruments, many of which have been sold abroad.

A major reason for this has been the authorities' unwillingness to issue long—that is, 10-year—paper at present interest rates. The aim now is to lengthen average maturities on lower short rates and an upward-sloping yield curve; the risks are further weakness in the currency and therefore reluctance by non-residents to re-invest in D-Mark bonds.

The balancing act required of the Bundesbank is a very delicate one and it could still be toppled from the high wire if Mr Volcker is obliged to tighten money in the face of a continuing overshoot in the U.S. money supply.

French rates

But at least the Bundesbank is not treading the path of easier money on its own. The French authorities dropped their money market intervention rate from 14¾ to 14¼ per cent on Thursday and the Bank of England is still in a relaxed mood. West Germany conducts the bulk of its foreign trade within the countries of the European Monetary System, against which the D-Mark has remained fairly steady since last year's realignment.

The Bundesbank may prefer to pause for breath until the outcome of the current West German wage round becomes clearer and the U.S. money supply figures develop a more discernible pattern. In terms of its own monetary aggregate, it still has plenty of scope, as central bank money stock growth is at the bottom end of this year's 4-7 per cent target range.

For the first time in several years, there is consensus among West Germany's leading commercial banks that D-Mark interest rates are set to fall and the Bundesbank is certainly not discouraging that notion. The rest is up to Mr Volcker.

Heron bid will be matched by a Court

By John Moore

AUSTRALIAN entrepreneur Mr Robert Holmes à Court has told the board of Associated Communications Corporation, the entertainments empire built up by Lord Grade, that he is prepared to match an offer of £46.6m mounted by Heron Corporation for ACC.

The move was announced to the board in a two-and-a-half hour meeting on Saturday afternoon, and ahead of today's legal action by Heron Corporation.

Heron, a diversified private company built up by Mr Gerald Ronson, is attempting to block through litigation the transfer of ACC directors' voting shares—representing nearly 64 per cent of the company's equity—to Mr Holmes à Court. Heron has taken the matter to the Appeal Court.

When the offer of £46.6m was announced by Heron last month, it comfortably topped the offer of £36m by the business interests of Mr Holmes à Court.

Now Mr Holmes à Court, who took over the chairmanship of ACC from Lord Grade last month, has turned the tables on the Heron camp.

Like Heron, he is offering 85p per share for the non-voting "A" shares held by more than 11,000 shareholders, and he is offering 340p for the crucial voting shares largely held by ACC directors. Lord Grade holds a 27.6 per cent block of voting shares.

Heron Corporation was locked in talks with its advisers yesterday and was considering events.

The Australian's latest attempt to gain control of ACC is unusual in that the earlier offer of £36m is to stand. An offer document detailing the terms and signed by the directors supporting the £36m deal is expected to be sent to shareholders today. Mr Holmes à Court's higher offer has been launched without gaining formal recommendation from the ACC directors, although that is likely to be only a minor formality.

The Takeover Panel said that although two takeover bids from one and the same company of different values was "extremely rare," there was nothing against the move in principle.

It added that it would be having talks with Hambros merchant bank, Mr Holmes à Court's advisers, to see that "nobody is accidentally disadvantaged."

The first offer seems to have been left running so as not to undo the irrevocable undertakings and commitments given by ACC directors to accept the earlier offer.

Lloyd's concerned over Laker

BY JOHN MOORE

LLOYD'S OF LONDON said yesterday that its membership department will be "discussing with Sir Freddie Laker's underwriting agent at the earliest opportunity the latest position on his personal finances.

Since 1954 Sir Freddie has been an underwriting member of Lloyd's of London, the insurance market which relies on the support of the rich to support its operations. People joining usually have to show wealth of £100,000. In return for pledging unfettered and unrestricted wealth to help meet insurance losses they receive a share of the profits and investment income.

At the weekend Sir Freddie said "I haven't a bean. Everything I possess is pledged to the bank."

Lloyd's said yesterday: "When any member makes a statement like the one made by Sir Freddie we have to discuss it with the underwriting agent who looks after the member's affairs."

If the membership department is not satisfied with Sir Freddie's personal standing underwriting at Lloyd's carried out on his behalf may be forcibly suspended, although he could still keep his membership.

Sir Freddie is expected to approach the Civil Aviation Authority this week in an effort to gain licences for a new Peoples Airline run jointly by him and Lonrho.

The Civil Aviation Authority said at the weekend that Sir Freddie's finances will not be considered when the application is heard. The authority said that the entrepreneur's personal resources were irrelevant. "The question is what money does the company have?"

Sir Freddie's Sussex farm is for sale at £1m and his home, at Chailey, Sussex, is also on the market for £300,000. Cash raised from the sale of the properties will be used to repay bank loans.

"From a practical point of view all my assets are now held by Clydesdale Bank," Sir Freddie said.

The Civil Aviation Authority said that it was still waiting to hear details of the Laker-Lonrho plan for the new airline. "We are waiting for him to make proposals to us."

Yesterday Sir Freddie was in Paris holding talks about his new venture. He is thought to have been in discussions with Airbus Industrie, the French-led consortium, over ten A-300 airbuses he ordered before Laker Airways collapsed.

Lonrho stressed yesterday that its feasibility study into the new joint venture airline "must prove satisfactory" before the mooted Laker-Lonrho airline takes off: "We've got to battle on licences," said Lonrho.

Arthur Sandles writes: Britain's major tour operators have launched extensive campaigns to ensure that the new owners of former Laker tour subsidiaries, Arrowsmith and Laker Air Holidays do not emerge as serious challengers to their supremacy.

All the major tour operators have put on additional capacity for the summer and most are wooing both travel agents and hoteliers with assurances about the value of dealing with established brand names.

Sweden sets Euroloan record

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

SWEDEN HAS set a record for the Eurobond market. It was confirmed at the weekend that the final amount of its latest borrowing has been set at $650m, the largest amount raised by a public issue in this market.

The borrowing, in the form of a floating rate note, was originally planned to be $400m, but demand was so strong that by the end of last week lead managers Crédit Suisse First Boston were able to increase the amount by more than 50 per cent.

The success of the deal testifies to growing interest among investors in protecting themselves against volatile interest rates.

The interest on floating rate notes fluctuates in line with money market rates so that the capital value of an investment is preserved.

"We are in a period of great volatility that makes people very nervous and uncertain," said Dr Michael von Clemm, chairman of Crédit Suisse First Boston, which arranged the issue.

"More and more investors at the retail level have come to realise they should have a portion of their portfolio in floating-rate notes."

This realisation may have been helped by research by the investment house Salomon Brothers. This shows floating-rate notes were the best investment in the international bond markets last year, offering a total annual return of 20.3 per cent.

Dr von Clemm said that success of the Swedish issue was due partly to the relative shortage of similar paper from other borrowers.

It would be wrong to conclude that investors were totally deserting the fixed rate bond market, he said.

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U.S. Ford pay freeze

appears that under this clause, a worker laid off, say at the age of 40, and not re-employed by Ford could continue to receive 60 per cent of his take-home pay until normal retirement age, if he was unable to find another job.

Other features of the agreement are increased flexibility in moving workers from plant to plant and a re-opener clause which will allow the union to go back to the bargaining table after January 1983 if Ford's car sales have returned to their 1977-78 level.

It is evident from the terms of the deal that Ford will be taking on some extra costs as well as shedding some, which explains why both sides yesterday defended the agreement as one designed to alter radically the union-management relationship rather than merely produce short-term savings for the company.

This presentation will be vital in securing support from the rank and file. A council of Ford workers will consider the contract on Wednesday in Chicago and, if it passes that test, there will be a mass vote.

If the contract is ratified, and the union's leaders appeared confident of this, it would be quite a coup for Ford, given that General Motors and the union had to break off talks a few days ago on General Motors' plan to cut workers' pay and benefits.

The Ford contract is less demanding of workers than the General Motors' plan and will be helped by the fact that Ford is continuing to make large losses—$1bn last year

Continued from Page 1

Carrots

stands in the middle of the prolific oil field. The school occupies a five-acre site, and that is enough land to accommodate six producing wells, according to Mr Joe Kimmel, operations vice-president of Kernridge Oil, the Shell subsidiary which operates the field and owns the farm.

Mr Kimmel said there could be no doubt that, if Shell found oil on the farm site, it would drill. Oil production was a good deal more profitable than farming, he pointed out. Last year, the farm and packing business returned an after-tax profit of just $750,000.

Meanwhile, Mr Herrick continues down on the farm, using the most modern techniques to produce and harvest the 20 various crops.

China to open London joint equity venture

BY COLINA MACDOUGALL

CHINA'S FIRST joint equity venture in the west is expected to open in about three months time in a £1m, four-floor building in the City of London, providing up to 100 new jobs.

A four-man delegation from Fujian province arrived yesterday to sign a deal setting up the venture with the UK-based company Chan Brothers. The new company, whose English name is not yet decided, will have exclusive rights to handle all trade between Fujian and the EEC.

This traditionally outward-looking south eastern province which faces Taiwan, is one of only two provinces which has the powers to set up certain joint ventures without reference to Peking. The other is Guangdong.

The Chinese partner will be the China National Cereals, Oils and Foodstuffs Import and Export Corporation, Fujian branch.

This will be the first Chinese joint equity venture outside China to be set up between a high-level provincial corporation and a foreign company. So far only a score or so of joint equity ventures have been set up within China, while there are a handful in Japan.

The chairman of the new company, two directors, a foreign trade specialist and a public relations officer will be from China. Mr Charles Chan, managing director of Chan Brothers known with his brother Kenneth as the King Prawn Kings, in the frozen seafood business, will be managing director.

The new company plans to recruit European staff to run the trading side, numbering initially up to 40 but eventually reaching about 100. It currently has three properties in the city in view as a possible base.

The division of the equity will probably accord with the normal practice for Chinese joint ventures, which gives the Chinese side a small majority holding.

While no figures for Fujian's trade with the EEC are available for 1981, Mr Chan expects exports to at least double the 1980 figures. These, at $74m (£40m), rose by $32m over 1979.

Fujian's exports so far are mainly food products but the scope is expected to broaden into light industry. Mr Chan believes the new company will be able to provide excellent credit terms to British buyers to ease cash flow problems. "If a supermarket wants to buy 100 tons of Chinese mushrooms, they can have them canned and on the shelves by the time payment is due," he said.

Fujian's import trade is small but the provincial authorities are eager to develop it. It has set up a special economic zone near Xiamen (formerly Amoy) where the tax rate is 15 per cent and there are tax holidays of three to five years.

British exporters will be able to use credit provided by the ECGD "deposit facility," the $1.2bn fund set up in 1978 by a consortium of British banks to finance Sino-British trade.

The City of London headquarters will accommodate showrooms displaying Fujian products and services.

Chan Bros is the biggest Overseas Chinese company in Britain. Last year its turnover reached £10m, while the whole Chan group—which includes other trading and transport companies—came to £20m.

Weather

UK TODAY

MAINLY dry with sunny periods but cloudy in parts.

London, S.E. and Eastern England, Midlands, S.E. Scotland, Borders
Frost. Mostly dry with sunny intervals. Max 9C (48F).

Channel Islands, S.W. England, S. Wales
Mostly dry but cloudy. Max 10C (50F).

N. Wales, N. Ireland, N.W. England, S., Central and W. Scotland
Dry with bright intervals. Max 9C (48F).

N. Scotland, Orkney and Shetland
Cloudy with showers. Max 7C (45F).

Outlook: Dry, but rain in Scotland and possibly sleet in S.E. England.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	12	54	L. Ang.†		—	—
Algiers	C	17	63	Luxmbg.	C	4	39
Amsdm.	F	7	45	Luxor	S	20	68
Athens	F	10	50	Madrid	S	10	50
Bahrain	S	15	59	Majorca	C	15	59
Barclna.	F	13	55	Malaga	F	17	63
Beirut	C	12	54	Malta		15	59
Belfast	F	4	39	M'chstr	S	5	41
Belgrd.	S	4	39	Melbne.		—	—
Berlin	S	4	39	Mx. C.†		—	—
Biarritz	C	11	52	Miami†		—	—
Bmghm.	S	7	45	Milan	Fg	1	34
Blackpl.	F	6	43	Mntrl†	Sn	−13	9
Bordx.	F	11	52	Moscow	C	−2	28
Boulgn.	F	9	48	Munich	F	1	34
Bristol	S	8	46	Nairobi	C	30	86
Brussels	F	8	46	Naples	R	10	50
Budpst.	S	1	34	Nassau		—	—
Cairo	F	17	63	Nwcstl.	S	7	45
Cardiff	S	7	45	N. York†		—	—
Cas'b'ca	F	13	54	Nice	R	9	48
Cape T.		—	—	Nicosia	C	12	54
Chicg.†	C	−8	18	Oporto	F	13	55
Cologne	R	6	43	Oslo	Sl	0	32
Cpnhgn.	Fg	1	34	Paris	C	4	39
Corfu	C	12	54	Perth	F	20	68
Denver†	F	10	50	Prague	C	−2	28
Dublin	S	7	45	Rykjvk.	F	−1	30
Dbrvnk.	F	11	52	Rhodes	S	13	55
Ednbgh.	S	7	45	Rio J'o†		—	—
Faro	F	15	59	Rome	C	12	54
Florence	C	11	52	Salzbrg.	F	0	32
Frankft.	R	3	37	S'cisco†	R	13	55
Funchal	F	19	66	S. Mritz.		—	—
Geneva	R	6	43	Singapr.		—	—
Gibrltr.	F	17	63	S'tiago†		—	—
Gl'sg'w	F	5	41	Stckhm.	C	−1	30
G'rnsey	F	7	45	Strasbg.	R	6	43
Helsinki	C	−2	28	Sydney		—	—
H. Kong	C	13	55	Tangier	C	16	61
Innsbrk.	C	3	37	Tel Aviv	C	16	61
Invrnss.	S	6	43	Tenerife	C	20	68
I.o.Man	S	7	45	Tokyo	F	9	48
Istanbul	F	5	41	T'ronto†	C	−11	12
Jersey	S	8	46	Tunis	F	18	64
Jo'burg		—	—	Val'ncia	S	15	59
L. Plms.	C	18	64	Venice	C	3	37
Lisbon	C	13	55	Vienna	C	−2	28
Locarno	C	6	43	Warsaw	S	3	37
London	F	7	45	Zurich	C	4	39

C—Cloudy. F—Fair. Fg—Fog. H—Hail. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow. T—Thunder.
† Noon GMT temperatures.

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